



«Social and Entrepreneurial Corporation of «Almaty» Joint-stock Company



ANNUAL REPORT 2024

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MESSAGE FROM CHAIRPERSON OF THE BOARD OF DIRECTORS

Erbolat DOSAYEV

Chairperson of the board of directors Almaty SEC JSC

Dear Colleagues, Investors and Residents of Almaty!

Almaty is a recognized business center of the country, where favorable conditions have been created for the development of innovation, entrepreneurship and attracting investment.

An important role in supporting small and medium-sized businesses, developing infrastructure, renovating dilapidated housing, promoting social entrepreneurship and ensuring food stability is assigned to the regional development institute - Almaty Social and Entrepreneurial Corporation JSC (Almaty SEC) - a bridge between the state and business.

The activities of the SEC «Almaty» are focused on serving the interests of the city and its residents. In its work, the corporation adheres to the principle of «bottom-up» management, where each entrepreneur or city dweller has the opportunity to propose his own initiative for the development of the urban environment. SEC «Almaty,» in turn, acts as a platform where business ideas, public proposals and the state are combined to implement projects aimed at sustainable development and improving the quality of life in Almaty.

At the end of 2024, the corporation's net profit amounted to 8.0 billion tenge, consolidated EBITDA - 8.5 billion tenge, and return on equity (ROE) reached 3.6%. In addition, in 2024, SEC «Almaty» transferred 3.97 billion tenge of taxes to the budget. At the same time, together with subsidiaries, investments worth more than 141 billion tenge were attracted to the economy of the metropolis. In order to stimulate economic growth through subsidiaries - Almaty Finance LLP and MFO Almaty LLP - SEC Almaty participates in the implementation of the regional entrepreneurship development program Almaty Business - 2025. In 2024, 129 projects were financed under the program in the amount of 11.2 billion tenge, 860 jobs were created. Micro, small and medium-sized businesses received loans at a preferential rate of 6% per annum. Initiatives in the areas of processing and production, health care, tourism, creative industries, education, as well as projects aimed at improving the ecology of the city were supported.

One of the key events of 2024 for the city and its residents was the approval of the Housing Renovation Program until 2030, the administrator of which is the SEC «Almaty.» The goal of the program is to provide owners of dilapidated houses with modern, safe and comfortable apartments. In total, by the forces of the subsidiary organization SEC «Almaty,» LLP «Enterprise of capital construction of the Akimat of Almaty» until 2030, it is planned to update at least 676 houses, which will allow relocating about 7,500 people to modern comfortable apartments.

As part of the development of the industrial sector in the Industrial Zone of Almaty, entrepreneurs are provided with infrastructure support. In 2024, 19 new investment projects worth 32.5 billion tenge were attracted, 977 jobs will be created. In total, 108 projects covering a wide range of industries - from mechanical engineering, chemical industry and the production of building materials to the production of food and medical products are presented in the Industrial Zone of 490 hectares.

Ensuring food security remains one of the priority tasks of the city. SEC «Almaty» implements price stabilization mechanisms for 19 items of socially important food products (SZPT). Manages the regional stabilization fund by providing preferential loans to manufacturers of SZPT, and also makes forward purchases of products. The corporation is engaged in the development of the food infrastructure of the city by managing social pavilions and organizing weekend fairs.

SEC «Almaty» in the status of a key regional development institute continues to work in all strategic areas defined by the Development Program for 2023-2025, working for the benefit of the city and its residents.



MESSAGE FROM THE CHAIRPERSON OF THE MANAGEMENT BOARD

Kanat BALYKBAEV

Chairperson of the management board Almaty SEC JSC

In line with the Almaty SEC Development Program until 2025, one of the Corporation's priority areas has been identified as enhancing corporate governance and introducing the principles of sustainable development (ESG). The application of these principles has become a key performance indicator for the organization's development over 2023–2025. By focusing on environmental, social, and governance aspects, Almaty SEC not only manages risks more effectively, but also strengthens its social responsibility, enhances the company's long-term resilience, and expands access to new sources of capital.

During the reporting period, the Corporation and its subsidiaries successfully implemented a number of important ESG initiatives. For example, 28 social entrepreneurs were provided with premises for lease on preferential terms. The first lithium-ion battery recycling plant in the country was launched in the Almaty Industrial Zone, which is managed by Almaty SEC. In addition, Almaty SEC's lending agency, Almaty Finance, financed the construction of a private general education school with a capacity of 420 students in the fast-developing Nauryzbay District of the city.

In 2024, Almaty SEC prepared its first-ever Climate Report and Sustainability Report in accordance with international GRI standards. New internal regulatory documents on corporate governance were developed. Upcoming plans include drafting environmental and gender policies, as well as a human rights policy, which will help formalize and systematize the Corporation's approach to these areas.

To enhance transparency and build stakeholder trust, an independent reputation audit was conducted with the participation of the Corporation's contractors, partners, and shareholders. As a result, Almaty SEC's reputation index reached 86.2%. An internal corporate governance assessment also showed a strong performance – 86.29%.

The Corporation's performance received a high rating from S&P Global, an international rating agency that annually assesses companies based on their level of sustainable development. In 2024, Almaty SEC earned a score of 20 points, which is on par with national development institutions and more than double the previous year's result. Thus, Almaty SEC remains the only social-entrepreneurial corporation in Kazakhstan with an international ESG rating and an independent corporate governance assessment score of 77.6%.

In terms of investment appeal, international rating agency Fitch Ratings affirmed Almaty SEC's long-term issuer default rating in both foreign and local currency at «BBB-» with a Stable Outlook. This investment-grade rating reflects the Corporation's adequate creditworthiness and low credit risk expectations. The agency also noted the absence of any other organizations in the city with functions comparable to those of Almaty SEC, underscoring the Corporation's strategic importance for the city. To date, Almaty SEC remains the only social-entrepreneurial corporation in Kazakhstan with an international credit rating.

We are committed to solidifying our position as a key regional development institution equipped with the necessary tools and authority to drive the city's integrated development and implement major initiatives in priority areas.

COMPANY'S FIGURES 2024



KZT **141.4**
billion
total volume of investments
attracted in 2024

KZT **8.0**
billion
consolidated net profit

66
ppl
actual staff headcount

86.29%
corporate
development score

KZT **11.3**
billion
funds allocated to
support SMEs in 2024

KZT **8.5**
billion
consolidated EBITDA

27%
share of women
in senior and middle
management

86.2%
reputation index

26
new investment
projects

3.1%
return on assets (ROA)

91%
employees
covered by health
insurance system

76.5%
employee engagement
and satisfaction level

384
weekend fairs

3.6%
return on equity (ROE)

20 hours
of training
per employee on
average

BBB-
long-term international
credit rating
(Fitch Ratings)

23.3
tons of SSFP
contracted supplies

KZT **3.97**
billion
taxes paid

20%
ESG score

KEY EVENTS OF 2024



JANUARY

Anas Bakkozhayev, a Member of the Mazhilis of the Parliament of Kazakhstan and head of the Auyl Party faction, together with the management of Almaty SEC JSC (the "Company"), conducted a working tour of the Company's retail outlets selling socially significant food products.

FEBRUARY

The Company took part in the international conference and exhibition "Fruits and Vegetables of Kazakhstan – 2024. KAZAGROFOOD", held with the support of the Ministry of Agriculture of the Republic of Kazakhstan, the Ministry of Trade and Integration of the Republic of Kazakhstan, and the Akimat of Almaty Region.

MARCH

Fitch Ratings assessed the Company's long-term issuer default rating for 2023 at "BBB-" with a Stable Outlook.

A regular briefing was held at the Regional Communications Service platform with the participation of the management of Almaty Industrial Zone LLP.

As part of a working visit, the Company's independent directors reviewed the construction progress of new plants and the operations of existing facilities in the Almaty Industrial Zone.

During the briefing of the Regional Communications Service, Alisher Satybaldiyev, Director of Almaty Industrial Zone LLP, presented updates on the development of industrial parks in the city.

On March 26, Sukhrab Makhmudov, President of Orbis Kazakhstan, and Gao Lei, General Manager of Yibin Kaiyi Automobile Co., Ltd, signed a memorandum under which Orbis Kazakhstan would build a new plant in the Almaty Industrial Zone to manufacture KAIYI, a Chinese automobile brand. The plant will have a production capacity of 80,000 vehicles per year and will create more than 1,500 new jobs.

APRIL

In line with its commitments, the Company's employees completed training under the SDG Ambition Accelerator program. This unique six-month educational course is designed to encourage and support UN Global Compact participant companies in setting ambitious corporate goals and accelerating the integration of the 17 Sustainable Development Goals into core business operations.



From January to March, Almaty Finance LLP and Almaty MFO LLP issued over KZT 1.3B in financing for the development of micro and small businesses –1.5 times more than during the same period last year.

As part of the Almaty Business – 2025 Entrepreneurship Development Program (the "Almaty Business – 2025 Program"), Almaty Finance financed its tenth project for the construction of a Small Industrial Park (SIP). SIPs are designated areas for launching small and medium-sized business operations, where entrepreneurs are provided with ready-made premises equipped with utilities.

The Company participated in the interregional early vegetable contracting forum held in Shymkent.

Auyez Taimbetov, Chairperson of the Management Board of Aktobe SEC JSC, visited the Almaty Industrial Zone to observe the progress of the Small Industrial Zones (SIZ) Development Program. During the visit, the

delegation toured facilities operated by ADS Industries LLP, Alatau Industrial Park LLP, and ALAESTATE LLP, where they learned about the production of advertising materials, interior doors, decorative mirror items, workout equipment, outdoor fitness machines, and more.

The Company hosted a meeting with representatives of the French Development Agency (AFD) as part of a mission to explore opportunities for cooperation with Kazakhstan's public financial sector.

By resolution of the Company's Board of Directors, the powers of Arman Shamshin as Chairperson of the Management Board were terminated ahead of schedule.



In response to the Kazakh Government's directive to establish small industrial zones in the regions and promote interregional cooperation, a delegation from Caspian SEC JSC visited the Company to exchange experience.

On April 20, 2024, as part of the weekly weekend fair held in the Almaty District, an event was held to inform and explain relevant legislation of the Republic of Kazakhstan to participating vendors. These weekend fairs are temporary weekly marketplaces where local producers and farmers sell socially significant food products and agricultural goods at prices not exceeding the recommended levels.



KEY EVENTS OF 2024

MAY

By resolution of the Company's Board of Directors, Kanat Balykbayev was appointed as the Chairperson of the Management Board of the Company.

The Company hosted a meeting with representatives of the Korea G-PASS Company Export Association. The parties discussed opportunities for cooperation between Kazakhstani and Korean small and medium-sized enterprises, as well as the implementation of ESG initiatives.



JUNE

Kanat Balykbayev, Chairperson of the Company's Management Board, gave an interview to Jasqazaq.kz, where he spoke about the Company's current operations.

The Company took part in a meeting on "Green Economy Development and Concessional Financing for the Purchase of Electric Vehicles for Taxi Services."

Almaty Finance opened a line of credit for the construction of another Small Industrial Park (SIP) in Almaty.

Kanat Balykbayev, Chairperson of the Management Board, made a working visit to the Company's facilities and the Almaty Industrial Zone (AIZ). During the visit, he reviewed the progress of ongoing projects and issued a number of specific instructions requiring expedited resolution.

Kanat Balykbayev, Chairperson of the Management Board, gave an interview to Cronos.Asia.

Staff from the Company's Food Security and Trade Department took part in a meeting with a delegation from the European Union agri-food business sector, accompanied by European Commissioner Janusz Wojciechowski. During the session, the Company's employees, as well as Kazakhstani importers and retailers, had the opportunity to network with EU delegates and establish new business contacts.



As part of its price stabilization measures for socially significant food products (SSFP) in Almaty, the Company signed a loan agreement with Magnum Cash & Carry LLP for the procurement of 13 SSFP items, with a total volume of 2,547.7 tons.

Almaty Finance opened a line of credit of KZT 295M for the construction of a new SIP – the 12th SIP financed by Almaty Finance. The project is funded under the Almaty Business – 2025 program.

China Railway Sixth Group Co., Ltd., one of the world's top 500 companies, visited the Company. The organization specializes in the construction of urban infrastructure, railways, bridges, tunnels, metal structures, and performs roadwork and track laying. In its operations, the corporation also implements green construction solutions that reduce harmful emissions by 60% and shorten construction time by 50%. During the meeting, representatives of the Company and China Railway Sixth Group Co., Ltd. discussed potential cooperation, including the implementation of the AIZ second phase, and agreed to explore areas for joint activity.

JULY

A correspondent from the MIR 24 TV channel visited the Weekend Fairs.

Since the beginning of the year, the Company, together with Capital Construction Company of the Akimat of Almaty City LLP (CCC), has relocated 280 residents as part of the Housing Renovation Program for 2021–2025.



Zoya Kassenova, Deputy Chairperson of the Company's Management Board, became a finalist of the first-ever SDG Pioneers Award in Central Asia in the small and medium business category. The award was organized by the United Nations.

During his working trip to Almaty, Olzhas Bektenov, Prime Minister, visited a number of enterprises located in AIZ to observe investment inflow and production localization progress.



Almaty Finance and Almaty MFO issued 60 concessional loans to small and micro-entrepreneurs in Almaty over six months, totaling KZT 1.9B.

As part of the mechanisms to stabilize prices for SSFP in Almaty, the Company signed a loan agreement with Magnum Cash & Carry LLP for the purchase of four SSFP items.



Almaty Finance provided KZT 500M in concessional financing for the construction of a solar module plant, which will be implemented in the Park of Innovative Technologies Special Economic Zone.



AUGUST

Ulan Osserbayev, Director of the Company's Project Management Department, spoke live on Almaty.tv about the current support available to entrepreneurs and the social projects being implemented.

The Company held a meeting attended by 20 construction companies. During the meeting, the Company and CCC presented the city's renovation program until 2030.

The Company participated in a major event titled "Republic Agreement on the Supply of Rice Products," dedicated to the start of the harvest season in Kyzylorda Region, attended by entrepreneurs and heads of large agricultural enterprises.

At a briefing held by the Regional Communications Service, Zhuldyz Igenov, Deputy Chairperson of the Management Board of Almaty Finance, announced that since 2019, a total of 656 projects worth KZT 36.3B had been financed through the Company's subsidiaries Almaty Finance and Almaty MFO under the Almaty Business – 2025 Program, creating 2,716 jobs.

SEPTEMBER

As part of the price stabilization measures for socially significant food products in Almaty and to prevent price increases, the Company signed a contract for the supply of 4,500 tons of sugar following a commodity exchange auction.

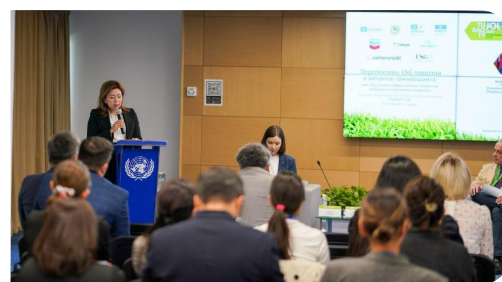
Based on a study conducted by the National Information and Analytical Center, the Company was included in both the regional and national Register of Reliable Socially Significant Enterprises in the category Business and Management Consulting (CCEA code – 70.22.1).

Almaty Finance allocated KZT 120M to RA Paper LLP to replenish working capital for the launch of an office paper production project in Almaty. The enterprise is located in Turksib District of the city.

The first lithium-ion battery recycling workshop in Kazakhstan was launched in the small industrial park operated by Industrial Place LLP, located within the Almaty Industrial Zone. The facility covers 1 000 m² and provides 20 jobs. It is equipped to recycle at least 20 tons of lithium-ion batteries per month. The recycling technology enables the recovery of valuable materials such as lithium powder, aluminum, copper, and other components that can be reused in further production. The workshop was built by Technic Destroy LLP, one of Kazakhstan's leading waste recycling companies.

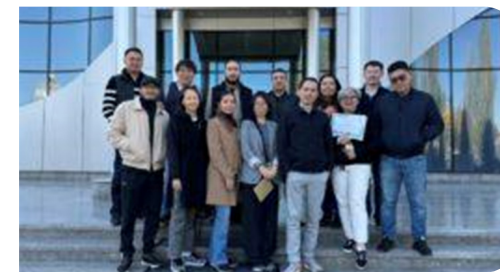
The Company took part in an event organized by the Kazakhstan National Federation of Clubs for UNESCO on the topic "ESG Agenda Prospects and Greenwashing Issues: How to Build an Effective Business Strategy for Sustainable Development," held within the fifth anniversary cycle of the National Social Eco-Campaign TURAQTY JOL. The opening ceremony was attended by Bolat Akchulakov, President of the World and Kazakhstan Federations of Clubs for UNESCO; Madina Abylkassymova, Chairperson of the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market; Amir Piric, Director of the UNESCO Regional Office in Almaty; Arnur Ibrayev, Head of the ESG Directorate at Bank CenterCredit JSC; and Zhanar Koshpanova, Public Relations Advisor at Chevron.

Almaty Finance financed the construction of a private general education school in Nauryzbay District of Almaty in the amount of KZT 288M.



OCTOBER

Employees of the Company took part in a corporate ESG training organized by the Central-Asian Institute of Environmental Research. The event was aimed at fostering a comprehensive understanding of sustainable development principles, including environmental, social, and governance (ESG) aspects. The training focused on integrating ESG approaches into business processes, developing ESG reporting, improving the corporate ESG rating, and defining strategic steps for further transformation.



As part of the scheduled modernization of the weekend fairs, the Company upgraded its trading equipment, creating more comfortable conditions for vendors.

Almaty Finance financed the launch of the first baby carrot production facility in Kazakhstan, located in Almaty.

On October 21, 2024, Almaty MFO LLP marked its 5th anniversary.

To stabilize prices for SSFP in the city, the Company signed a loan agreement with a poultry farm (Alatau-Kus JSC). The agreement aims to stabilize prices for chicken meat (drumsticks and thighs) over a 24-month period, with a total supply volume of 1 818 tons.

On October 30, the official launch ceremony of the Kazakhstan Mobility Engineering plant was held in AIZ. The plant is part of the Astana Motors Group. The event was attended by Kanat Sharlapayev, the Minister of Industry and Construction of the Republic of Kazakhstan; Junseon Kim, CEO of Motrex; Nurlan Smagulov, Founder and Beknur Nessipbayev, CEO of Astana Motors.



To stabilize prices for socially significant food products in Almaty, the Company signed a loan agreement with another poultry farm (Sary-Bulak Company LLP). Under the agreement, prices for first-category chicken eggs will be stabilized at a volume of 2.4M per month. The stabilization period is 36 months.

KEY EVENTS OF 2024

NOVEMBER

On November 4, 2024, the Company held a meeting on ethics compliance and anti-corruption efforts. Speakers included Mamay Akhmetov, Ethics Commissioner of the Almaty Akimat, and Sayat Balgimbayev, Head of the Information and Awareness Headquarters of the Almaty Anti-Corruption Service.

Almaty Finance financed the launch of an automated line for the production of croissants and other bakery goods in Almaty. The allocated amount of KZT 128M, provided under the Almaty Business – 2025 Program, is planned to be used by Art Bakery LLP to purchase the necessary equipment.

A lemon orchard was planted in a modern greenhouse in AIZ. More than 1,300 trees were planted across an area of 7,500 square meters. The project is being developed by the Kazakhstani company BRB APK, which specializes in growing greenhouse tomatoes and cucumbers.

The Almaty City Maslikhat adopted the “Housing Renovation Program of the City of Almaty until 2030,” aimed at improving living conditions, renewing the urban environment, and preventing the growth of the emergency housing stock. The Program is administered by the Company.

DECEMBER

The Company upgraded the infrastructure of weekend fairs in Almaly, Auezov, Bostandyk, and Medeu Districts of Almaty.

As part of its annual assessment of companies' sustainability performance, the international rating agency S&P Global assigned the Company a score of 20 for 2024 under the S&P Global Corporate Sustainability Assessment (S&P CSA), more than double the previous year's result.

Over the first 11 months of 2024, Almaty Finance and Almaty MFO issued 112 loans totaling KZT 8B to micro, small, and medium-sized businesses in Almaty.

Almaty Finance allocated KZT 500M to Membraneco LLP for the launch of the first plant in Kazakhstan for the production of spiral-wound membrane filter elements for reverse osmosis systems.

Kanat Balykbayev, Chairperson of the Company's Management Board, summarized the key results of the regional development institution's activities for 2024.



COMPANY PROFILE



Almaty Social-Entrepreneurial Corporation Joint-Stock Company (the “Company”) was established on March 31, 2010, in accordance with Resolution No. 266 of the Government of the Republic of Kazakhstan “On Matters of Social-Entrepreneurial Corporations.”

The Sole Shareholder of the Company is the Department of Entrepreneurship and Investment of Almaty Municipal Public Institution (the “Sole Shareholder”), which is a government body of the Republic of Kazakhstan responsible for overseeing entrepreneurship, industrial and innovation development, the agro-industrial complex, and veterinary and sanitary safety within the city of Almaty.

The ultimate regulatory authority of the Company is the Almaty Akimat.

The Company’s key function is to support business initiatives and stimulate economic activity in the region’s growth areas.

STRUCTURE OF THE COMPANY’S AUTHORIZED CAPITAL

Type of security	Common Shares
NIN	KZ1C00009679
Number of authorized shares	193 351 569
Number of issued shares	193 351 569
Number of shares repurchased by the Company	19 697 233
Par value per share, KZT	1 000
Shareholder’s ownership of voting shares	100%
Shareholder’s ownership of issued shares	89.81%
Company’s ownership of issued shares	10.19%

The Company issues common shares. A common share grants the Sole Shareholder the right to make decisions on all matters submitted for its consideration.

A common share entitles the Sole Shareholder to receive dividends, provided the Company has net income, and to receive a portion of the Company’s assets upon its liquidation, in accordance with the legislation of the Republic of Kazakhstan.

The Company’s functions include:

- a management component (management of transferred assets and enterprises)
- an organizational component (project review, advisory support, and organization of financing)
- an investment component (investment of own funds and attraction of external investors)
- a stimulating component (financial and infrastructure support for regional entrepreneurial activity)
- an analytical component (development of regional databases of current and prospective projects in Almaty, and monitoring of prices for socially significant food products)
- an administrative component (implementation of strategically important national and regional programs)

The Company includes three subsidiaries that ensure the effective delivery of its functions:



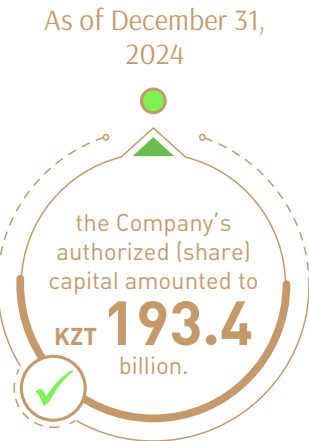
Almaty Industrial Zone LLP – manages the Almaty Industrial Zone, which was established to support investment in industrial projects by providing entrepreneurs with land and infrastructure.

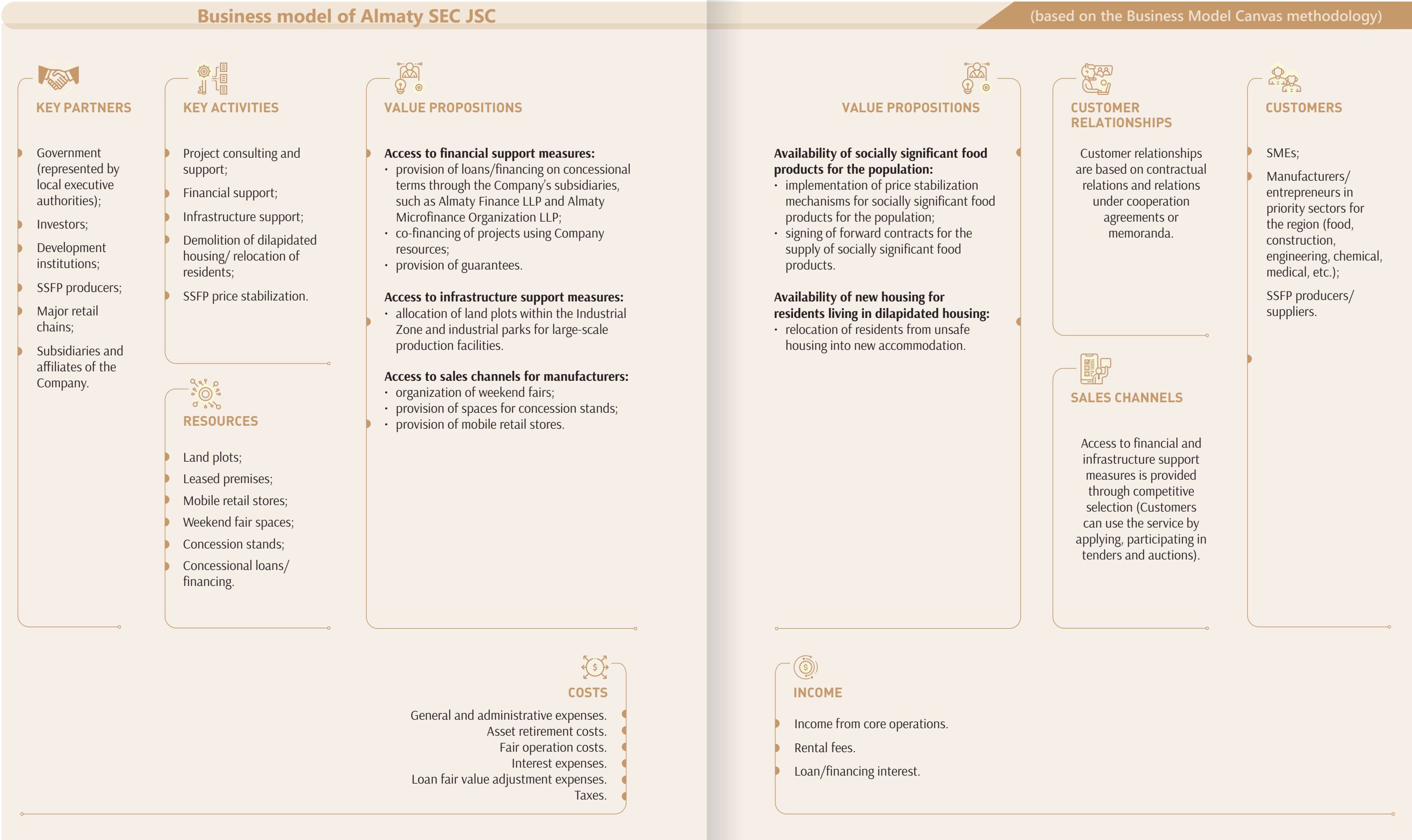


Almaty Finance LLP – provides concessional financing for the implementation of priority projects. Almaty Finance has a subsidiary, Almaty Microfinance Organization LLP, which provides concessional financing for small business projects.



Capital Construction Company of the Akimat of Almaty City LLP – manages housing sector modernization projects through the demolition of dilapidated buildings and the construction of modern buildings and facilities in their place.





COMPANY PROFILE

On May 4, 2023, the Company's Board of Directors approved the Development Program of Almaty SEC JSC for 2023–2025 (the “Company Development Program”).

The Company Development Program was prepared in line with the long-term vision and key priorities of the country and region, as outlined in the following strategic documents:

- Kazakhstan 2050 Strategy;
- Strategic Development Plan of the Republic of Kazakhstan until 2025;
- Almaty-2050 Development Strategy;
- Almaty Business – 2025 Program;
- National Entrepreneurship Development Project for 2021–2025;
- Almaty City Development Program until 2025 with medium-term prospects until 2030 (the “Almaty Development Program until 2025”);
- Housing Renovation Program of the City of Almaty for 2021–2025 (currently, the “Housing Renovation Program of Almaty until 2030” approved by Resolution No. 166 of the Almaty City Maslikhat dated November 29, 2024), and others.

The mission of the Company

is to promote the sustainable socio-economic development of Almaty.

The vision of the Company is to be a key development institution of the city, supporting businesses and implementing priority socially significant and investment projects.

The strategic areas of the Company's activities are as follows:

- I. Creating a favorable business environment and supporting entrepreneurship through effective project portfolio management, business development via financial and infrastructure support, and efficient management of subsidiaries and affiliates.
- II. Ensuring a comfortable urban environment and implementing socially significant projects by executing priority investment projects, improving the city's housing stock through the implementation of the Dilapidated Housing Renovation Program and the construction of social housing, ensuring food security, and supporting the infrastructure of the market for socially significant food products (SSFP).
- III. Achieving sustainable institutional development by improving the level of corporate governance, implementing effective digital infrastructure, and adopting and adhering to ESG sustainability principles.



On August 16, 2024, the Development Program was amended to update the key performance indicators (KPIs) and their target values for 2024–2025.

Update of KPIs and Their Target Values for 2024–2025 under the Company Development Program for 2023–2025

(approved by the Resolution of the Board of Directors dated August 16, 2024, Minutes No. 6)

No.	KPI	UoM	2024	2025
CORPORATE KPIs				
1	Consolidated net profit	KZT billion	5.2	6.8
2	Total investment attracted	KZT billion	1 604.4	1 700.0
3	Company reputation index	%	70	75
TARGET KPIs BY STRATEGIC AREA				
Strategic Area 1. Creating a favorable business environment and supporting entrepreneurship				
1	Projects financed under the Almaty Business – 2025 Program	KZT billion	42	47
2	Consolidated EBITDA	KZT billion	7.1	9.4
Strategic Area 2. Ensuring a comfortable urban environment and implementing socially significant projects				
3	Number of new socially significant and investment projects	projects	5	5
4	Number of apartments for relocation under the Dilapidated Housing Renovation Program	apartments	338	667
5	Utilization rate of funds allocated for SSFP price stabilization	%	93	95
Strategic Area 3. Sustainable institutional development				
6	Employee engagement and satisfaction level	%	73	75
7	Corporate development level	%	80	85
8	Business process automation level (share of digitalized core business processes)	%	80	90
9	ESG rating	%	13	20

REGIONAL OVERVIEW

ALMATY – 2024

GRP:
KZT **16.5** TRILLION

SHARE IN GDP:
19.3% (1ST PLACE)

PER CAPITA INCOME:
KZT **338 700** PER MONTH

ACTIVE ENTERPRISES:
114 000

INDUSTRIAL OUTPUT:
KZT **2 083** TRILLION

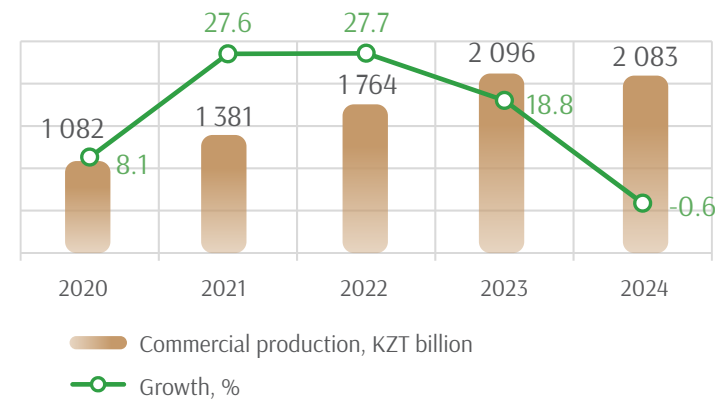
SME OUTPUT:
367 800

SME OUTPUT:
KZT **23** TRILLION

NUMBER OF PEOPLE EMPLOYED
IN SMES:
942 000

SME CONTRIBUTION TO REGIONAL
ECONOMY:
60%

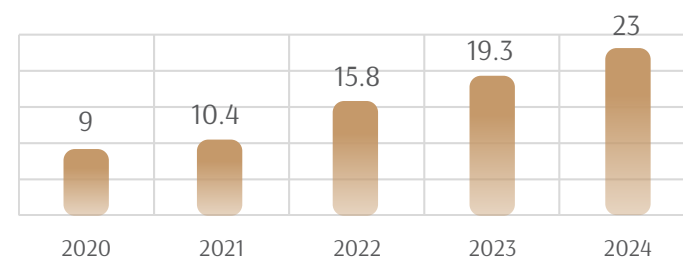
Commercial Production



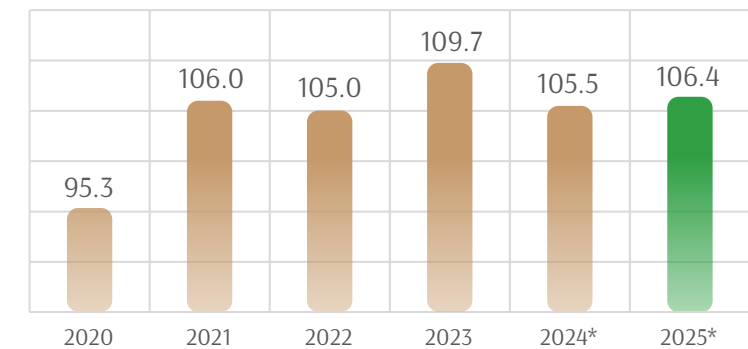
Investment, KZT billion



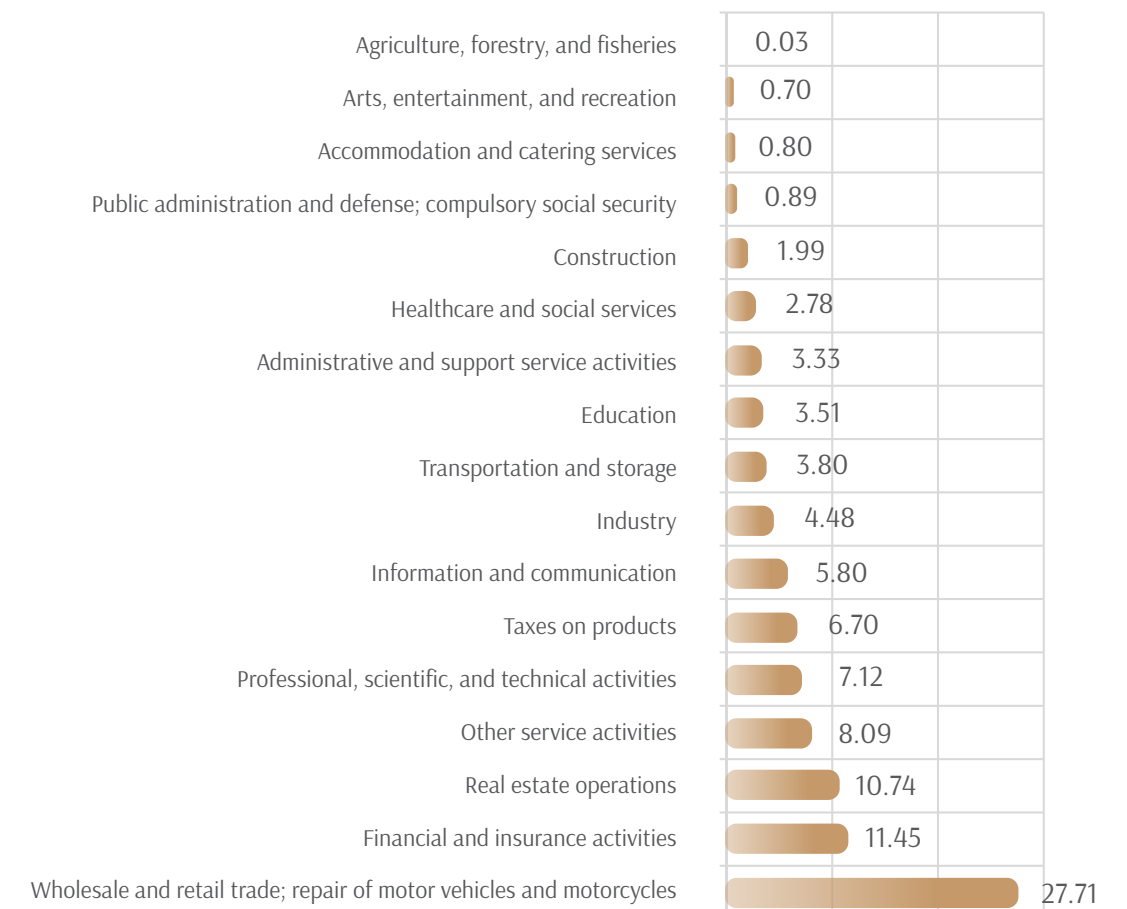
SME output, KZT trillion



GRP Physical Volume Index



GRP Structure

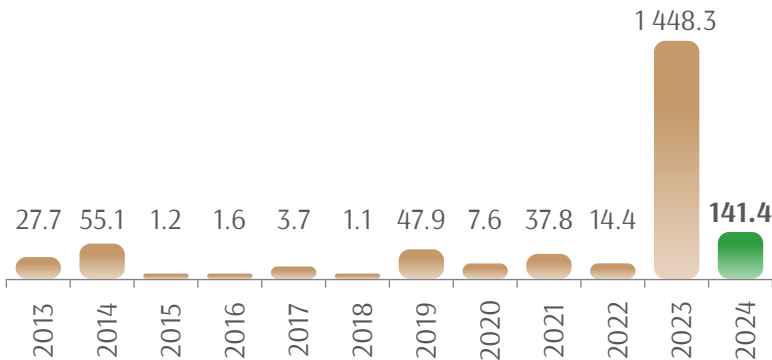




KEY PERFORMANCE INDICATORS OVER TIME

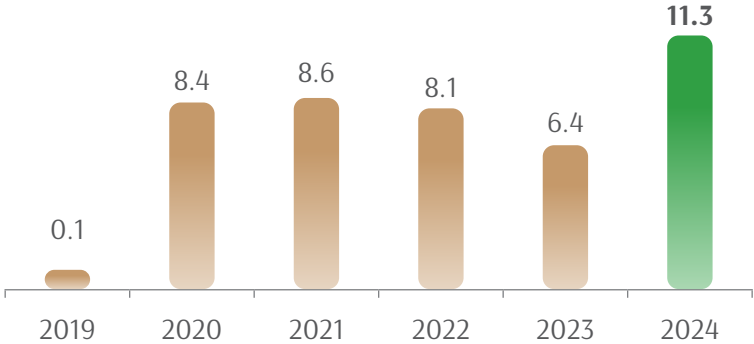
TOTAL INVESTMENT ATTRACTED, KZT BILLION

Total investment attracted into projects of the Company and its subsidiaries in 2024 amounted to KZT 141.4B.



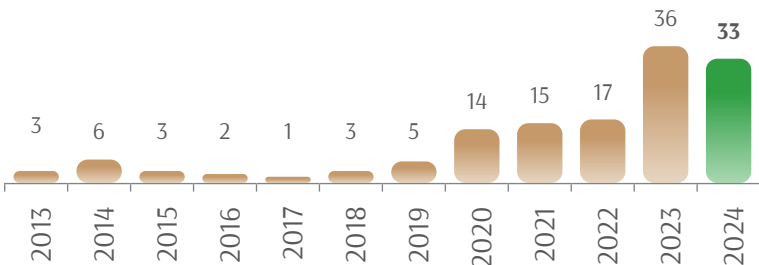
SME PROJECTS FINANCED, KZT BILLION

The projects financed by the Company and its subsidiaries and loans issued to SMEs in 2024 amounted to KZT 11.3B.



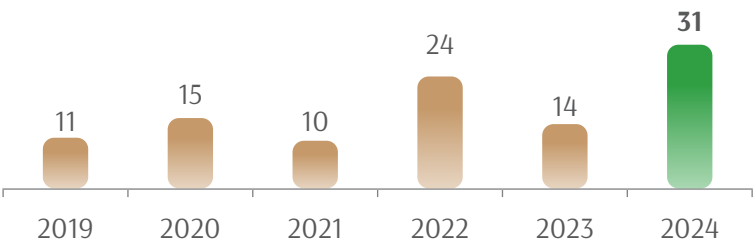
NUMBER OF INVESTMENT PROJECTS

The total number of investment projects implemented by the Company and its subsidiaries in 2024 amounted to 33.



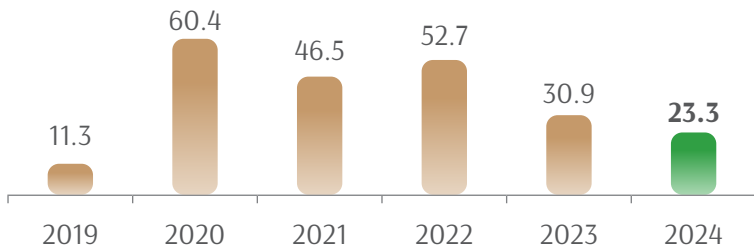
NUMBER OF DILAPIDATED HOUSES DEMOLISHED

31 dilapidated houses were demolished in 2024 as part of the Dilapidated Housing Renovation Program.



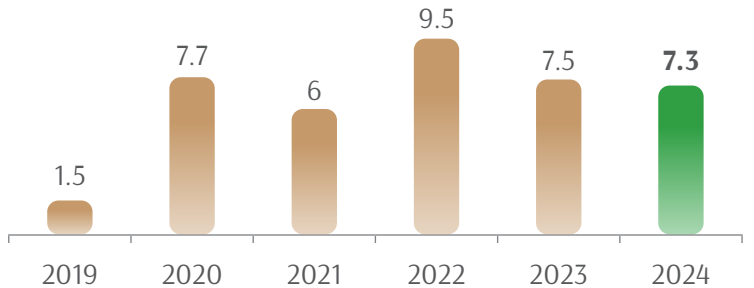
SSFP SUPPLIED, THOUSAND TONS

As part of the implementation of price stabilization mechanisms for SSFP, in 2024 the Company arranged (contracted) the supply of more than 23,000 tons of relevant products to retail outlets in the city.



LOANS ISSUED UNDER SSFP PRICE STABILIZATION, KZT BILLION

In 2024, as part of the implementation of price stabilization mechanisms for SSFP, the Company issued loans for the production and distribution of SSFP in the amount of KZT 7.3B.



2024 KPI PERFORMANCE REPORT

(based on the consolidated financial statements for 2024)

No.	KPI	UoM	Target 2024	Actual 2024	KPI performance (actual/ target)
CORPORATIVE KPIS					
1	Consolidated net profit	KZT billion	5.2	8.0	154%
2	Total investment attracted (cumulative since 2013)	KZT billion	1 604.4	1 787.8	111%
3	Company reputation index	%	70	86.2	123%
STRATEGIC KPIS					
Strategic Area 1. Creating a favorable business environment and supporting entrepreneurship					
1	Projects financed under the Almaty Business – 2025 Program (cumulative since 2019)	KZT billion	42	42.9	102%
2	Consolidated EBITDA	KZT billion	7.1	8.5	120%
Strategic Area 2. Ensuring a comfortable urban environment and implementing socially significant projects					
3	Number of new socially significant and investment projects	projects	5	7	140%
4	Number of apartments for relocation under the Dilapidated Housing Renovation Program	apartments	338	537	159%
5	Utilization rate of funds allocated for SSFP price stabilization	%	93	100	108%
Strategic Area 3. Sustainable institutional development					
6	Employee engagement and satisfaction level	%	73	76.5	105%
7	Corporate development level	%	80	86.29	108%
8	Business process automation level (share of digitalized core business processes)	%	80	83	104%
9	ESG rating	%	13	20	154%

INVESTMENT
ACTIVITIES



INVESTMENT ACTIVITIES



Urban assets, most of which are real estate properties, have been transferred under the Company's management. The Company is tasked with the efficient use of these assets through investment activities.

The main principles of the Company's investment activities – they are:

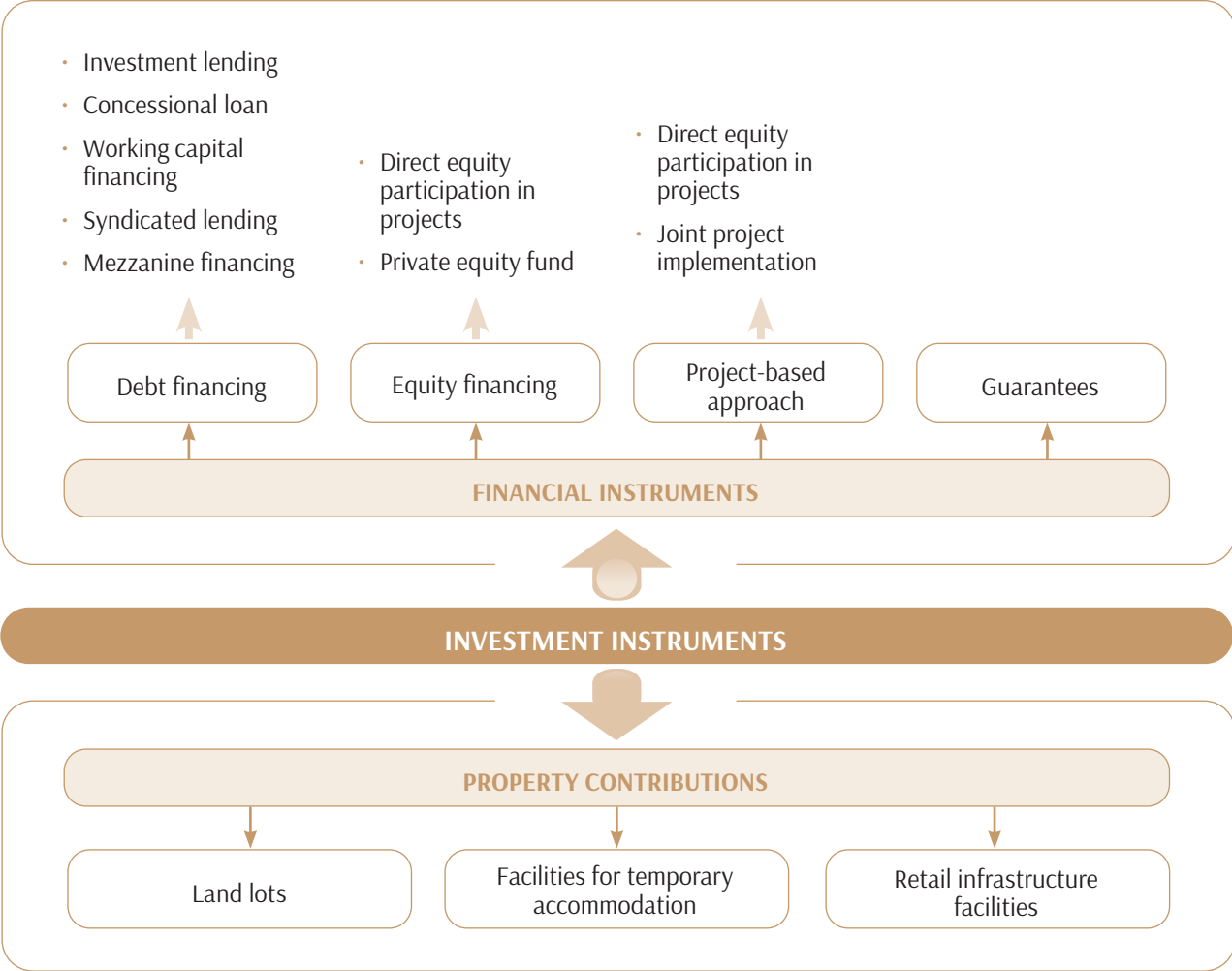
- transparent;
- fee-based;
- fixed-term;
- returnable;
- collateral.

Key areas of investment activities:

- development of small and medium-sized enterprises (including in sectors such as manufacturing, infrastructure, tourism, creative industries, and information technology);
- implementation of socially significant projects in Almaty, including food security, creation of a comfortable urban environment, environmental projects, and more;
- development of export-oriented production;
- implementation of projects that adhere to environmental, social, and governance (ESG) principles;
- improvement of labor productivity;
- support for economic urbanization;
- innovation development;
- infrastructure development.

The Company and its subsidiaries do not engage in investment activities in the following sectors:

- weapons manufacturing;
- production of alcoholic beverages;
- production of drugs, narcotic substances, and psychotropic substances;
- tobacco manufacturing;
- gambling business;
- other activities prohibited by the Kazakh legislation;
- for joint projects with international financial institutions – activities prohibited by these institutions.



In 2024, the total investment attracted under project agreements, contracts, and resolutions of competent authorities signed amounted to **KZT 14.7B**, including:

- Construction of an industrial complex for the production of paints, lacquers, and varnishes (investor: Sleipnir Technologies LLP, total project investment – KZT 11.058B);
- Installation and operation of electric vehicle charging stations (a joint investment project totaling KZT 3.1B);
- Construction of a private general education school (investor: Orken Education LLP, total project investment – KZT 0.288B);
- Completion of the construction of a small industrial park in the Almaty Industrial Zone (investor: Alaestate LLP, project financing – KZT 0.254B).

The Company also supports the implementation of major socially significant and investment projects, including:

- Development of the Eastern Gate Polycenter;
- Construction of a plant for the production of innovative bio-based feed additives and fertilizers to support the development of organic agriculture (an ESG project).

MAJOR SOCIALLY SIGNIFICANT AND INVESTMENT PROJECTS OF THE COMPANY

DEVELOPMENT OF «THE EASTERN GATE» POLYCENTER

Investment volume: KZT 635B

Completion date: 2028

Investors:



As part of polycentric development and the creation of a comfortable urban environment, in line with the Almaty Development Program until 2025 and its medium-term outlook until 2030, project agreements were signed with **three private investors** through an open tender.



Construction volumes:

- residential space – 1 187 244 m²;
- commercial space – 116 000 m²; (including above-ground and underground parking spaces);
- educational institutions: 4 schools (4 800 students) and 9 kindergartens (2 880 children);
- outpatient clinic;
- police station;
- children's and sports playgrounds;
- parks;
- central alley of the polycenter.

Expected outcomes:

- A new vernacular center of attraction with its own developed infrastructure, built in accordance with the Almaty General Plan until 2040;
- Creation of **11 000** temporary jobs and **1 600** permanent jobs;
- Forecasted tax revenue for the period 2023–2028: **KZT 17.6B**;
- Use of domestically produced building materials: at least **60%**;
- Construction of utility and communication networks, as well as roads.



CONSTRUCTION OF A PLANT FOR THE PRODUCTION OF INNOVATIVE BIO-BASED FEED ADDITIVES AND FERTILIZERS

Total investment: KZT **2.3B**

Completion date: 2025

Issuer: Black Biotechnology LLP

Company guarantee: KZT **1.5B**

The Company signed an agreement with Black Biotechnology LLP (BBT) to provide a guarantee for the construction of a plant for the production of innovative bio-based feed additives and fertilizers to support the development of organic agriculture.

Under the agreement, the Company undertook guarantee obligations for the principal repayment of up to KZT 1.5B (75% of the issuance) on BBT's three-year green bonds placed on the platform provided by Kazakhstan Stock Exchange JSC (KASE).

These securities are classified as ESG bonds and comply with the Green Bond Principles of

the International Capital Market Association (ICMA), as confirmed by an independent assessment from Green Investment Group with a "High/Excellent" rating. The total bond issue amounts to KZT 2B. BBT's coupon payments will be made twice a year at a fixed annual rate of 21.5% for a three-year term.

The plant is planned to be built on a 1.5-hectare land plot within AIZ.

The products marketed under the brand name "AL KARAL" will be supplied to the country's largest livestock and crop production complexes.

MAJOR SOCIALLY SIGNIFICANT AND INVESTMENT PROJECTS OF THE COMPANY



Government support for the project includes:

- Allocation of a 1.5-hectare land plot in AIZ with subsequent right of purchase;
- Export support from QazTrade, the Center for Trade Policy Development;
- Coupon rate subsidy on green bonds by Damu Entrepreneurship Development Fund JSC;
- Provision of a guarantee by the Company to investors on 75% of the bonds issued;
- Grant financing for 2023–2025 in the amount of KZT 350M under the «Science Commercialization» project by Science Fund JSC.



SOCIAL PROJECTS OF THE COMPANY



Assyl Mura Social Sewing Workshop



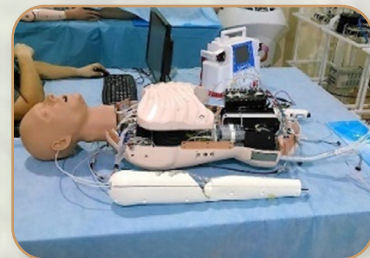
An-Nissa Public Association of People with Disabilities



Zhan Ana Charity Foundation



Social project for the production of felt goods



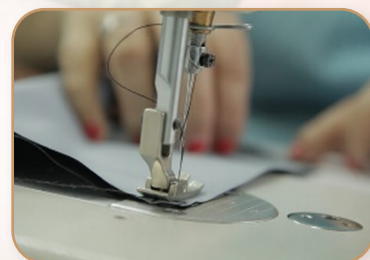
Production of medical simulators



Social projects related to opening beauty salons



Medical outpatient clinic



Training center (sewing courses) and tailoring services



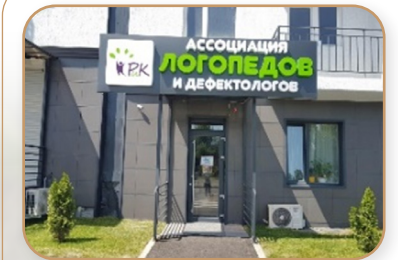
Production of synthetic rattan and rubber boots



Zhauynger Afghan War Veterans and Disabled Persons Public Association



Polyclinic No. 4 State Municipal Enterprise with the Right of Economic Management



RiK Association of Speech Therapists and Speech Pathologists



Kasteyev School of Arts



Center for Active Longevity under the Shynga Orleu Program



Zhurek Guli Public Foundation



RUKH Center for Adaptation, Rehabilitation, and Habilitation



Smart Balaqai Individual Entrepreneur



Free Sparring Public Association



Assyl Zhurek Public Foundation



Klarensia Man Individual Entrepreneur



Dance School



FINANCIAL SUPPORT



FINANCIAL SUPPORT

The total amount allocated to support entrepreneurship in Almaty amounted to KZT 24.6B. These funds enabled Almaty Finance and Almaty MFO to finance SMEs in the amount of KZT 42.9B (including revolving funds).

Activities of Almaty Finance

Almaty Finance was established in July 2019 under the Almaty Business – 2025 Program through the reorganization of Almaty Azyk LLP.

The company’s activities focus on providing concessional loans for priority SME projects in Almaty.

Loan terms:

Loan amount: from 20 000 MCI to KZT 500M

Loan term: up to 7 years

Interest rate: 2% or 6% per annum

In 2024, under the Almaty Business – 2025 Program, 23 projects were financed for a total of KZT 7.6B, resulting in the creation of 306 new jobs.

From 2019 to 2024, Almaty Finance financed a total of 117 projects for a cumulative amount of KZT 29.5B, creating 968 jobs.

Key Performance Indicators of Almaty Finance for 2024

No.	Indicator	UoM	Value
1	Number of financed projects	projects	23
2	Amount of financing	KZT billion	7.6
3	Number of jobs created	jobs	306

Project implementation by district of Almaty in 2024

District of Almaty	Number of projects	Amount of financing, KZT million	Share, %
Alatau	10	3 736	49%
Medeu	4	1 464	19%
Auezov	2	835	11%
Almaly	3	834	11%
Nauryzbay	1	288	4%
Bostandyk	2	274	4%
Turksib	1	120	2%
Total	23	7 551	100%

Most implemented projects are concentrated in two districts of Almaty: Alatau and Medeu, accounting for a combined share of 68%.

Project implementation by sector in 2024

Sector	Number of projects	Amount of financing, KZT million	Share, %
Manufacturing and processing	4	1 628	30%
Small industrial parks	6	2 164	29%



Sector	Number of projects	Amount of financing, KZT million	Share, %
Tourism	2	860	11%
Sports	2	604	8%
Creative industry	2	386	5%
Education	1	288	4%
Other	1	500	7%
Total	23	7 551	100%

In Almaty Finance’s project portfolio, the largest share of financing is directed to projects in key economic sectors such as manufacturing and processing, tourism, sports, creative industries, and education. At the same time, a significant portion is held by projects implemented within industrial parks, whose sectoral focus is diverse – ranging from the production of construction materials and furniture to food products.

Key Financial Indicators of Almaty Finance, KZT million

Indicator	2024
INCOME, total	1,538
Loan interest income	580
Deposit interest income	864
Other income	20
Amortization of discount	74
EXPENSES, total	725
Total operating expenses	87
General and administrative expenses	299
Loan discounting	315
Provisioning	24
PROFIT BEFORE TAX	813
Corporate income tax	216
NET PROFIT/(LOSS)	597

Almaty MFO

Almaty MFO was established under the Almaty Business – 2025 Program.

On March 15, 2021, Almaty MFO received a license from the National Bank of the Republic of Kazakhstan to conduct microfinance activities under License No. 02.21.0027.M.

Loan terms:

Amount: from KZT 100,000 to KZT 73.8M (20 000 MCI)

Term: up to 7 years

Interest rate: 2% and 6% per annum (secured), up to 12% per annum (unsecured)

In 2024, Almaty MFO issued 106 loans totaling KZT 3.6B, creating 554 jobs.

Since the beginning of its operations, Almaty MFO has issued 587 loans totaling KZT 13.4B and created 2 471 jobs.

FINANCIAL SUPPORT

Key Performance Indicators of Almaty MFO for 2024

No.	Indicator	UoM	Value
1	Number of loans issued to SME	loans	106
2	Amount of loans issued to SME	KZT billion	3.6
3	Number of jobs created	jobs	554

Sectoral distribution of loans issued by Almaty MFO to SME in 2024

Purpose	Number of loans	Amount, KZT million	Share, %
Healthcare	22	826.8	22.9
Creative economy	9	378.8	10.5
Convenience store	1	10	0.3
Education	12	667.5	18.5
Support for social entrepreneurs	6	192.7	5.3
Projects implemented in AIZ	1	30	0.8
Manufacturing and processing	31	844.5	23.4
Sports	2	58.3	1.6
Trade	4	53.6	1.5
Public services	12	214.8	5.9
Tourism	6	337.7	9.3
Total	106	3 614.7	100

64.8% of Almaty MFO's loan portfolio is concentrated in projects related to manufacturing and processing, healthcare, and education.

Key Financial Indicators of Almaty MFO, KZT million

Indicator	2024
INCOME, total	679
Loan interest income	378
Deposit and repo interest income	247
Other income	54
EXPENSES, total	429
Operating expenses	249
General and administrative expenses	170
Provisioning	10
PROFIT BEFORE TAX	250
Corporate income tax	51
NET PROFIT/(LOSS)	199

INFRASTRUCTURE SUPPORT



INFRASTRUCTURE SUPPORT

Infrastructure support for businesses is provided through the Company’s subsidiary, AIZ LLP, which manages the industrial zone of Almaty. The zone was established to support investment in industrial projects by allocating land and infrastructure to entrepreneurs.

The Almaty Industrial Zone (AIZ) was created in accordance with the Strategic Development Plan of the Republic of Kazakhstan until 2020 and the State Program for Accelerated Industrial and Innovative Development of the Republic of Kazakhstan for 2010–2014. Its operation is governed by the Entrepreneurial Code and the Unified Program for Business Support and Development “Business Roadmap 2020.”

The purpose of the industrial zone is to provide government support to private entrepreneurship and to foster the development of priority industrial sectors in Almaty, including mechanical engineering, food processing, light industry, pharmaceuticals, chemicals, logistics, and construction materials manufacturing. Priority is given to investment projects aimed at relocating industrial enterprises from residential areas, producing high-tech and innovative products, and substituting imports.

The total area of the AIZ is 685 hectares, including:

- 475 hectares allocated for projects, of which 50 hectares are for small industrial parks;
- 210 hectares allocated for infrastructure.

As of December 31, 2024, the total number of investment projects in AIZ was 108. The total investment portfolio amounted to KZT 559B. The projected labor demand (jobs created) was 14 646.

In 2024, AIZ LLP signed agreements for the implementation of 19 new projects totaling KZT 32.5B.

Key Performance Indicators of AIZ LLP for 2024

No.	Indicator	2024
1	Number of investment projects	19
2	Total investment, KZT billion	32.5
3	Number of jobs to be created in AIZ	977
4	Number of residents in industrial parks	77
5	Number of industrial parks established	11

Currently, 95% of the AIZ territory is occupied by industrial and manufacturing facilities.

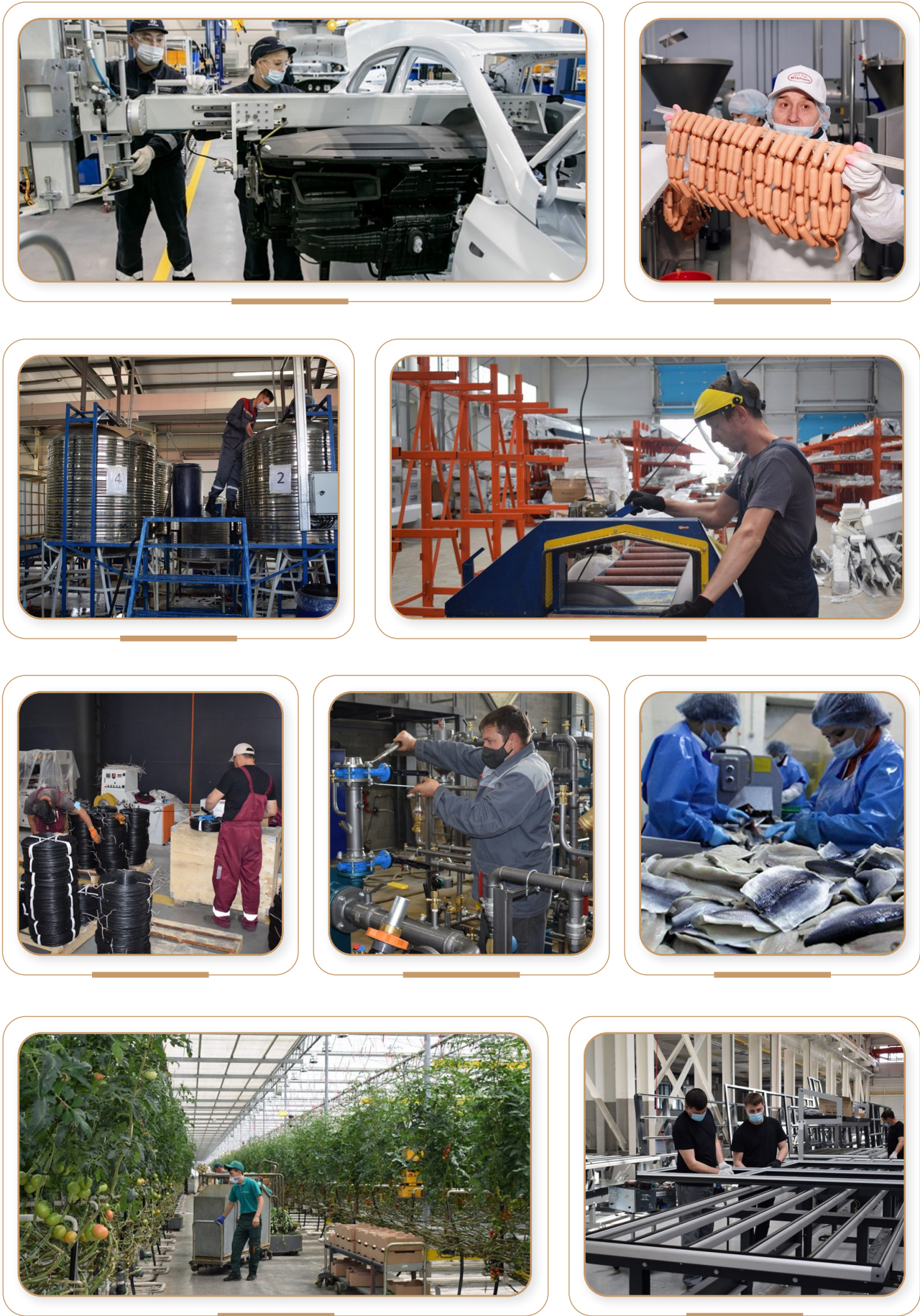
By Resolution No. 1/173 of the Akimat dated March 9, 2023, AIZ was granted the status of a “State Industrial Zone of National Significance.”

In accordance with the instruction of the Head of State dated May 19, 2022 (No. 22-3011), the Almaty Akimat is working on the expansion of AIZ territory.



108 Projects worth 559B tenge, creating 14 646 jobs





Key Financial Indicators of AIZ LLP, KZT million

Indicator	2024
INCOME, total	1 073.9
Income from operator services	532.6
Deferred income (capital repairs)	-
Interest income	18.9
Income from railway station services	-
Income from substation (electricity) services	329.9
Income from other services	191.0
EXPENSES, total	1 353.8
Total operating expenses	1 165.5
General and administrative expenses	188.3
PROFIT BEFORE TAX	-279.1
Corporate income tax	-2.8
Asset retirement costs	24.9
NET PROFIT/(LOSS)	-307.6

Small Industrial Parks (SIP)

An industrial park is a site for implementing small and medium-sized business projects, where entrepreneurs are provided with ready-to-use facilities equipped with utility connections.

The SIP development project is implemented under the Almaty Business – 2025 SME development program, as part of which production facilities will be built within the city in partnership with investors or owners of production bases. These facilities will be offered to SMEs on preferential terms:

- Lease term: 3 years
- Fixed lease rate: up to 1 350 KZT/m²;
- Buyout price: 180 000 KZT/m².

Advantages of implementing projects in industrial parks:

- Bringing idle production facilities in the city into use
- Construction of new production and office premises
- Support for business creation and development in areas with low economic activity (new jobs, taxes)
- Preferential financing rates of 2% and 6% per annum

35 SIP projects are being implemented within AIZ, with a total investment of KZT 20.1B. A land area of 38.6 hectares has been allocated for project implementation, with a total facility area of 186 000 m², creating 4 295 jobs. Of these, 11 projects have been commissioned, with total investment amounting to KZT 4.7B, a facility area of 45 800 m², and 1,170 jobs created.

In 2024, 5 SIPs were launched within AIZ with a total facility area of 21 200 m², an investment of KZT 2.27B, and 610 jobs created.

Also in 2024, 11 projects were granted SIP status. The total investment was KZT 8.6B. It is planned to construct 77 500 m² of ready-to-use facilities. These SIPs are expected to create 1 510 jobs.



RENOVATION OF DILAPIDATED HOUSING



RENOVATION OF DILAPIDATED HOUSING

The Company acts as the operator of the Housing Renovation Program of Almaty for 2021–2025 (the “Renovation Program”). Under this Program, the Company’s activities involve managing projects to modernize the housing sector through the demolition of dilapidated houses and the construction of new buildings and facilities. Responsibility for implementing the respective projects has been assigned to CCC pursuant to Resolution No. 38 of the Company’s Management Board dated July 26, 2023.

Dilapidated housing in Almaty presents a serious social issue. The greatest risk comes from two-story frame-and-reed houses built in the 1930s–1950s and transferred into private ownership during the privatization period. These houses continue to deteriorate annually, and the issue is compounded by the fact that Almaty is located in a seismic zone, with the rate of deterioration outpacing that of renewal.

On November 29, 2024, the Almaty Maslikhat approved the Housing Renovation Program of Almaty until 2030. The Company was designated as the Program Administrator and CCC as the authorized entity.

The Program covers dilapidated low-rise apartment buildings of up to two stories built between 1930 and 1980, as well as individual residential houses, industrial, commercial, and other properties requiring redevelopment of the surrounding area and infrastructure. The Program will be implemented in accordance with the Almaty General Plan until 2040, which provides for the development of residential areas based on construction density, access to social, utility, and transport infrastructure, and modern safety and design requirements.

One of the key features of the new Program is the introduction of **mechanisms for protecting homeowners’ rights** and improving engagement with residents and the general public.



The list of properties under the Renovation Program is divided into three categories:

1	Unattractive for Investment	2	Unattractive for Investment	3	Attractive for Investment
(category 1)		(category 2)		(category 3)	
Properties located on building lines or designated for the construction of utility infrastructure, social, or other facilities.		Properties intended for the construction of priority residential, social, and commercial buildings for the city.		Properties located within blocks, polycenters, or industrial zones requiring comprehensive redevelopment.	
The buyout and demolition of such buildings will be carried out by the City Akimat in accordance with land legislation.		The relocation of residents and land clearance will be handled by CCC, with the land planned to be sold to investors at market value.		The relocation of residents and demolition of such properties will be financed by investors.	



Three compensation options are available to owners of dilapidated housing:

1	2	3
Exchange Agreement: Exchanging old housing for new based on the principle of “room for room,” regardless of the number of residents.	Residential Ownership Transfer Agreement: Equivalent housing is provided after the new building is commissioned. Until then, residents are provided with temporary housing.	Sale and Purchase Agreement: Housing is bought out at market value determined by an independent appraisal company.

Relocation and demolition will only be carried out with the consent of all property owners. For citizens with special needs, conditions are provided for relocation to ground-floor apartments or buildings equipped with elevators, ramps, and barrier-free access. Priority is given to demolishing frame-reed houses and buildings located on tectonic fault lines to ensure the safety of city residents.

By 2030, at least 676 dilapidated houses are planned to be renovated, allowing the relocation of approximately 7 500 owners to modern, comfortable apartments.

A Renovation Office (Project Group) has been established under the Program to coordinate the interaction of all renovation participants – from experts and public organizations to authorized government agencies.

In total, there are 1 547 one- and two-story dilapidated houses in Almaty, comprising 16 059 apartments.

1 366 houses (14 430 apartments), home to over 43 000 residents, are in a pre-accident condition and exhibit low seismic resistance.

As of the end of 2024, CCC ensured the demolition of 31 buildings and the relocation of 537 apartments (owners) from hazardous and dilapidated housing in cooperation with investors.

Key Performance Indicators of CCC for 2024

No.	Indicator	2024
1	Number of relocated owners of apartments in dilapidated housing	537 apartments
1.1	At the expense of CCC relocation fund	297 apartments
1.2	At the expense of investors	240 apartments
2	Number of demolished dilapidated houses	31 houses
2.1	At the expense of CCC	4 houses
2.2	At the expense of investors	27 houses

As part of ongoing projects for the construction of multi-apartment residential complexes, as of December 31, 2024, CCC ensured the commissioning of:

- 1. 25 multi-apartment residential complexes (RC);
- 2. 75 003 m² – total area of all RCs;
- 3. 1 476 apartments, including:
 - in 2021 – 2 buildings with 162 apartments (8 505 m²);
 - in 2022 – 2 buildings with 162 apartments (8 505 m²);
 - in 2023 – 11 buildings with 615 apartments (36 310 m²);
 - in 2024 – 10 buildings with 537 apartments (21 683 m²).

Key Financial Indicators of CCC, KZT million

Indicator	2024
INCOME, total (KZT thousand)	9 082.9
Sales income	6 842.6
Finance income	504.8
Income from operating lease	15.2
Other income	1 720
EXPENSES, total (KZT thousand)	8 628
Operating expenses	7 205
General and administrative expenses	484
Other expenses	939
Asset retirement	0
Profit/(loss) before tax	455.1
Corporate income tax	202.2
NET PROFIT/(LOSS)	657.3

CCC PROJECTS

Completion of construction of seven 16-story residential buildings south of Zhandossov Street, between Suleymenov Street and Shchepkin Street in the Auezov District of Almaty (without on-site and off-site utilities)

Allocated budget funds
KZT 3.2 B



Construction of multi-apartment residential complexes in Almaty

Allocated budget funds
KZT 29.7 B

Purchase of apartments to create a relocation housing stock

Allocated budget funds
KZT 29.9 B



STABILIZATION OF PRICES
FOR SOCIALLY SIGNIFICANT
FOOD PRODUCTS



STABILIZATION OF PRICES FOR SOCIALLY SIGNIFICANT FOOD PRODUCTS

Ensuring food security is a key component of the country’s national security. One of the government’s top priorities is controlling the prices of SSFP. In this regard, the Prime Minister instructed the Ministry of Agriculture, together with local executive authorities, to ensure early contracting and delivery of fall vegetables to the regions in manual mode, to continuously monitor SSFP stock levels, and to respond promptly to any changes.

The Company acts as a specialized entity implementing SSFP price stabilization mechanisms in Almaty.

According to the Standard Rules for Implementing SSFP Price Stabilization Mechanisms, the Company provides loans to business entities and forms the regional stabilization fund for food products in Almaty by purchasing and storing socially significant food products for the purpose of carrying out market interventions to prevent price increases for essential food items in the city. Product sales are carried out through the Company’s own retail chain (concession stands and weekend fairs) as well as through partner retail chains. The maximum trade markup is determined by the Commission for Ensuring the Implementation of SSFP Price Stabilization Mechanisms in Almaty but may not exceed 15% of the product’s wholesale price, in accordance with the Kazakh legislation on trade regulation.

As part of the implementation of SSFP price stabilization mechanisms in Almaty, the Company was allocated KZT 15B in budget funds during the period from 2019 to 2022. As of the end of 2024, taking into account partial repayments, the remaining budget funds amounted to KZT 12B.

Key activities of the Company in this area:

- Analyzing the domestic food market in the regions (production output, import/export, wholesale prices, etc.).
- Planning and forecasting agricultural product prices to smooth out SSFP price fluctuations.
- Providing concessional loans to business entities to fix SSFP prices.
- Establishing and utilizing the regional food stabilization fund through procurement and commodity interventions.
- Developing and managing the Company’s own retail infrastructure.
- Offering informational and methodological support for market players (organizing industry meetings, facilitating direct product deliveries to retail outlets in the city, and other activities).
- Continuously monitoring prices in major retail outlets, including markets, supermarkets, and hypermarkets across the city.

In order to stabilize SSFP prices, the Company uses the following mechanisms:

1. Establishing and utilizing the regional food stabilization fund in Almaty.

The purpose of the stabilization fund is to create and maintain strategic reserves of certain SSFP items at the required level, with subsequent market interventions through the Company’s own retail infrastructure (food concession stands), partner retail chains, and weekend fairs.

2. Providing concessional loans to business entities

Concessional loans are provided to business entities on terms of repayment, collateralization, and interest, through the conclusion of loan agreements. Price stabilization is achieved by fixing reduced retail/wholesale prices for SSFP.



In 2024, agreements totaling KZT 7.3B were signed with producers and official suppliers such as Sary-Bulak Company LLP, Alatau Kus JSC, Kals Invest LLP, and the large retail chain Magnum Cash&Carry LLP for the production and sale of 23 300 tons of SSFP.

Number and amount of contracts signed under SSFP price stabilization mechanisms in 2024

Producers / Suppliers	SSFP	Loan amount, KZT million	Product output
Magnum Cash&Carry LLP	13 SSFP	956.0	2 548 tons
Magnum Cash&Carry LLP	vegetables	1 501.0	9 720 tons
Kals Invest LLP	granulated sugar	1 710.0	4 500 tons
Sary-Bulak Company LLP	chicken eggs	1 130.0	86.4M eggs* (or 4 752 tons)
Alatau Kus JSC	chicken meat	1 999.8	1 818 tons
Total		7 296.8	23 338 tons

* - based on an average weight of 55 grams per egg

From 2019 to 2024, the Company signed loan/product supply agreements with business entities engaged in the production and sale of SSFP totaling KZT 39.5B (including revolving funds used for issuing new loans or purchasing SSFP within the allocated limits). Accordingly, taking into account rollover contracts and contracted volumes, the total SSFP purchase volume for the 2019–2024 period amounted to 225,000 tons.

Number and amount of loans issued under SSFP price stabilization mechanisms in 2019–2024

Year	Number of Loan Agreements	Total SSFP contracted, tons	Loans issued, KZT billion
2019	1	11 260	1.500
2020	9	60 395	7.651
2021	11	46 529	6.049
2022	6	52 674	9.509
2023	7	30 866	7.457
2024	5	23 338	7.297
Total	39	225 062	39.462



STABILIZATION OF PRICES FOR SOCIALLY
SIGNIFICANT FOOD PRODUCTS

In 2024, SSFP coverage of the food market amounted to 2.5% of the total annual consumption volume (= 23 300 tons / 932 000 tons × 100%).

Cooperation with retail chains through the issuance of loans makes it possible to contract significant product volumes directly from producers in advance, which ensures high efficiency in holding SSFP prices down.

To prevent a sharp increase in the prices of SSFP items (granulated sugar, buckwheat, sunflower oil, chicken eggs), the Company signed Memoranda of Understanding with the supermarket chains, such as Magnum Cash&Carry, Skif Trade, Toimart, Metro Cash & Carry, A Store, CareFood, Stolichniy, and Yubileiny.

Each year, the Company, together with the Almaty Department of Entrepreneurship and Investment and representatives of retail chains, visit farms in various regions of the country engaged in the production of vegetables, rice, pasta, meat, and dairy products to establish cooperation. As part of the SSFP price stabilization program, the Company signed Cooperation Memoranda with regional SECs of Turkestan and Almaty Regions and reached agreements on direct food supply to Almaty.

As part of price stabilization measures, the Company leases **concession stands** to entrepreneurs. In Almaty, there are 28 social concession stands for the sale of agricultural products, including SSFPs.

In 2024, 27 concession stands lease agreements were signed. The average monthly rent for a stand was KZT 138 300. According to the lease agreements, products sold in these stands were priced 10–15% below the city's average market price.

“Weekend fairs” are held annually in four districts of Almaty, offering fresh farm products priced 15–20% below the average market level.

In 2024, fairs were held in the Almaly, Auezov, Bostandyk, and Medeu Districts. The Company signed 294 lease agreements for fairground stalls. The average monthly rent was KZT 22 200.

In addition, entrepreneurs can participate in auctions for the lease of **mobile stalls**. In 2024, the Company signed 22 lease agreements for mobile stalls. The average monthly rent was KZT 328 900.

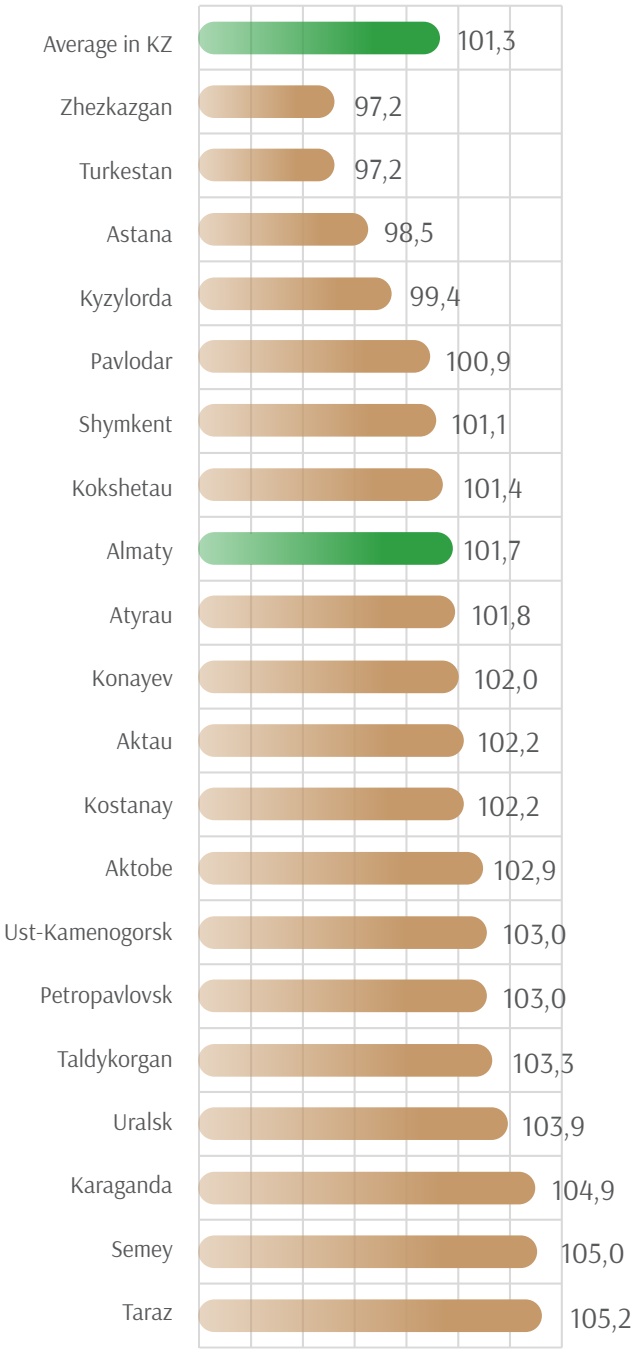
The Company's main goals going forward are effective stabilization fund management, improvement of SSFP price stabilization mechanisms, expansion of retail network involvement, and development of food infrastructure, including through private investment.

It is worth noting that providing concessional loans to businesses for working capital remains an effective instrument not only for SSFP price stabilization, but also for curbing annual inflation in general.

As of the end of 2024, the consumer price index for Almaty stood at 101.7% (8th place nationwide; national average – 101.3%).



SSFP price index from December 26, 2023 to December 24, 2024





KEY FINANCIAL INDICATORS





based on consolidated financial statements (KZT million)

	2022	2023	2024
ASSETS	208 454	189 475	241 433
EQUITY	168 306	171 738	178 460
INCOME	22 140	127 748	29 192
EXPENSES	30 193	108 703	20 956
Profit/(loss) before tax	(8 052)	19 045	8 236
CIT	(527)	(7 916)	(236)
Net profit/(loss)	(8 580)	11 128	8 000

Borrowings

Lender	Purpose	Amount, KZT billion
Department of Business and Investment of Almaty MPI	Lending to business entities for the implementation of mechanisms to stabilize prices of socially significant food products	5 000
		2 000
		1 000
		1 999.9
		1 000
		4 000

* - As collateral for obligations, the borrower grants the lender the right to deduct the amount of the borrower’s debt on the principal and interest under the loan agreement.

Contingent liabilities (issued guarantees)

Investor	Purpose	Amount, KZT billion
Black Biotechnology LLP	Provision of guarantee obligations to the Investor for repayment of principal loan for the project	1 500
Sleipnir Technologies LLP	Provision of guarantee obligations to the Investor for repayment of principal loan for the project	7 350



Outstanding limit, KZT billion	Interest rate, %	Date received	Maturity date	Collateral
5 000	0.01%	Mar 20, 2020	Mar 26, 2026	None*
2 000		Mar 15, 2021	Mar 15, 2024	
1 000		Dec 30, 2021	Dec 20, 2024	
1 999.9		Dec 30, 2021	Dec 31, 2024	
1 000		Dec 23, 2021	Dec 20, 2024	
4 000		Jul 26, 2022	Jul 31, 2025	

Outstanding limit, KZT billion	Interest rate, %	Date received	Maturity date	Collateral
1 500	3	Nov 17, 2023	Nov 17, 2026	Yes
7 350	3	Dec 12, 2024	Dec 12, 2026	Yes



SUSTAINABLE DEVELOPMENT





SUSTAINABLE DEVELOPMENT GOALS AND OBJECTIVES

The Company’s approach to sustainable development is based on a set of principles and commitments that guide its operations in the following areas:

- 1. Managing relationships with stakeholders.
- 2. Assessing and managing the impact on the city’s economy, social sector, and environment.

The Company ensures alignment of its economic, environmental, and social goals to support sustainable development over the long term.

Economic Dimension	Environmental Dimension	Social Dimension
Ensuring profitability of the Company and its S&A Safeguarding the interests of shareholders and investors Improving process efficiency Increasing investment in the creation and development of advanced technologies Increasing labor productivity Creating new jobs Boosting non-resource export growth Developing the manufacturing industry	Minimizing the impact on biological and physical natural systems Ensuring optimal utilization of limited resources Using environmentally friendly, energy- and material-saving technologies	Ensuring transparent hiring procedures and equal opportunities Offering fair compensation and compliance with workers’ rights Ensuring occupational safety and protecting workers’ health Providing training and professional development Implementing internal and external social programs

The Company’s sustainable development objectives include:

- 1) Integrating sustainable development principles into the operations of the Company and its Subsidiaries and Associates (S&A).
- 2) Conducting activity analysis and risk control across the three dimensions of sustainable development.
- 3) Improving sustainability management quality through systematic efforts.
- 4) Establishing effective mechanisms for stakeholder engagement, including regular disclosure of sustainability performance.

In its operations, the Company is guided by the following sustainable development principles: openness, accountability, transparency, ethical behavior, respect for stakeholder interests, rule of law, human rights compliance, zero tolerance for corruption, and prevention of conflicts of interest.

The Company also declares its commitment to the principles of the UN Global Compact in its operations:

In the area of human rights protection	The Company supports and respects the protection of internationally proclaimed human rights. The Company ensures it is not complicit in human rights abuses.
In the area of labor relations	The Company supports and recognizes the right to collective bargaining. The Company works to eliminate all forms of forced and child labor, as well as discrimination in respect of employment and occupation.

In the area of environmental protection	The Company supports a precautionary approach to environmental challenges. The Company undertakes initiatives to promote greater environmental responsibility. The Company encourages the development and distribution of environmentally friendly technologies.
In the area of anti-corruption	The Company declares zero tolerance for all forms of corruption and other unlawful actions, including extortion and bribery.

KEY ESG EVENTS

In 2024, the Company strengthened its efforts in the area of sustainable development.

An assessment of greenhouse gas and pollutant emissions was carried out, pollution sources were identified, and a Climate Report was prepared.

A Sustainability Report was prepared in accordance with GRI standards.

The Climate Report and the Sustainability Report were published on the Company’s corporate website.

New IRDs on information security were developed, and IRDs on corporate governance were updated.

The set of IRDs related to sustainable development and corporate governance includes, but is not limited to, the following key documents:

- Sustainability Policy
- Corporate Governance Code
- Code of Business Ethics
- Corporate Social Responsibility Policy
- Stakeholder Map
- Risk Management Policy
- Information Security Policy
- Anti-Corruption Policy
- HR Policy
- Tax Accounting Policy
- Policy on the Identification and Management of Conflicts of Interest at Almaty SEC JSC
- Anti-Money Laundering and Countering the Financing of Terrorism Policy (AML/CFT)
- Anti-Corruption Guidelines for Employees of Almaty SEC JSC
- Ombudsman Regulation
- Procurement Procedure for Goods, Works, and Services at Almaty SEC JSC

The following policies are planned for development: Environmental Policy, Gender Policy, and Human Rights Policy.

Thanks to consistent and effective work in the field of sustainable development, S&P Global assigned the Company an ESG rating of 20%.

In terms of ESG factors, the rating structure is as follows:

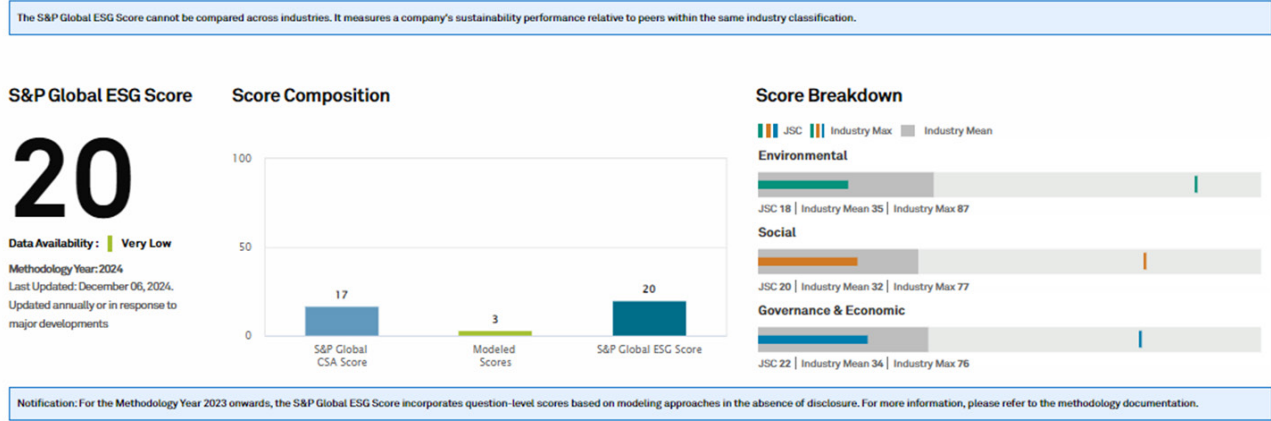
- 18% – Environmental Dimension;
- 20% – Social Dimension;
- 22% – Governance & Economic Dimension.



Officially published ESG rating of the Company
(<https://www.spglobal.com/esg/scores/results?cid=24795822>)

JSC "Almaty Social-Entrepreneurial Corporation" ESG Score

Ticker: N/A Industry: ICS Commercial Services & Supplies Location: Republic of Kazakhstan



CONTRIBUTION OF THE COMPANY TO ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS

The Company's Sustainability Management System is closely integrated with its Corporate Governance System. The principle of sustainable development is one of the fundamental principles of the Company's Corporate Governance Code.

The Company strives to integrate sustainable development principles into its development strategy and key processes, including planning, reporting, risk management, investment, operations, and decision-making at all levels – from corporate governance bodies (Sole Shareholder, Board of Directors, Management Board) to rank-and-file employees. The Management Board ensures the establishment and implementation of an effective Sustainability Management System and approves the corresponding sustainability action plan.

In 2015, at the UN Summit, heads of state and government adopted the 2030 Agenda for Sustainable Development, which includes 17 Sustainable Development Goals (SDGs) aimed at eradicating poverty, combating inequality and injustice, and addressing climate change.

The Company fully embraces the values of the UN Sustainable Development Agenda. It recognizes the importance of all 17 UN SDGs and is committed to contributing to their achievement.

Given the specifics of its activities, the Company has identified six priority UN SDGs to which it makes the most significant contribution:

- Zero hunger
- Good health and well-being
- Quality education
- Decent work and economic growth
- Industry, innovation, and infrastructure
- Sustainable cities and communities

The Company's contribution to UN SDG achievement



ERADICATING POVERTY IN ALL ITS FORMS EVERYWHERE

- As part of efforts to provide social assistance to SVGs, the Company makes a significant contribution to stabilizing prices for SSFPs by arranging early contracting and organizing their sale at reduced (affordable) prices. In 2024, the Company signed 5 contracts totaling KZT 7.3B, ensuring the supply of 23 300 tons of SSFPs.
- Weekly district "weekend fairs" are held in four districts of the city (Almaly, Auezov, Bostandyk, and Medeu), where residents can purchase fresh farm products at discounted prices.
- Regular meetings are held with representatives of farms, production workshops, and plants involved in growing vegetables and producing rice, sugar, buckwheat, pasta, meat, and dairy products to discuss price stabilization measures for SSFPs. During these working visits, the Company facilitates the establishment of interregional business links between entrepreneurs through the signing of Memoranda/Agreements on Mutual Cooperation.



BUILDING RESILIENT INFRASTRUCTURE, PROMOTING INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTERING INNOVATION

- The Company provides infrastructure support by allocating land plots within AIZ, as well as by developing small industrial parks and offering premises for lease on preferential terms.
- As of today, 108 projects totaling KZT 559B have been implemented or are in progress in AIZ, including the construction of industrial parks covering an area of 38 600 m². In the future, the enterprises located within AIZ are expected to become leaders in their industries and serve as examples of technological modernization of industrial production in Almaty.



ENSURING OPEN, SAFE, RESILIENT, AND ENVIRONMENTALLY SUSTAINABLE CITIES AND COMMUNITIES

- The Company acts as the administrator of the Housing Renovation Program in Almaty until 2030. Its task, through the subsidiary (CCC), is to demolish deteriorated housing stock and construct new residential buildings in its place, while relocating residents from dilapidated houses to modern ones.
- In Almaty, 1,366 buildings (14,430 apartments) housing over 43 000 residents are in a pre-accident condition and exhibit low seismic resilience. Under the Renovation Program, 676 dilapidated buildings are to be demolished and 7 500 apartment owners relocated by 2030.
- In 2024, CCC ensured the demolition of 31 deteriorated buildings and the relocation of 537 apartment owners.



ENSURING SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

- To reduce environmental pollution, the Company has decreased the number of outdated gasoline-powered vehicles in its fleet. The vehicles currently on the balance sheet of the Company and its subsidiaries are fuel-efficient models that run on high-octane gasoline.
- The Company has reduced its use of plastic.
- In 2022, AIZ LLP added a battery-powered forklift to its fixed assets.
- The Company and its subsidiaries are consistently reducing paper consumption by expanding the share of digitized business processes, which helps preserve forests and reduce emissions from pulp and paper production.



PROMOTING FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

- In 2024, the Company and its S&A created 1,837 jobs through implemented (funded) projects, including 977 by AIZ, 306 by Almaty Finance, and 554 by Almaty MFO.
- From 2016 to 2024, a cumulative total of 7,869 jobs have been created by S&A, including 4 430 by AIZ, 968 by Almaty Finance, and 2 471 by Almaty MFO.



ENSURING GENDER EQUALITY AND EMPOWERING ALL WOMEN AND GIRLS

- The Company is committed to promoting gender equality. Women make up 41% of the total workforce. The share of women in managerial positions in the Company's revenue-generating business areas is 27%.



ENSURING AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

- The Company's office is equipped with water filters connected to the centralized cold water supply system to provide clean drinking water. This gives employees unlimited access to cold and hot drinking water and reduces the need to purchase bottled water, thus minimizing plastic waste generation.
- The wastewater discharge system of the Company's group is connected to the municipal centralized sewage system. Before being discharged into the reservoir, the wastewater undergoes treatment through the municipal sewage treatment system.



TAKING URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- The Company signed an agreement with Black Biotechnology LLP to provide a guarantee for a project to build a plant for the production of innovative biofeed additives and fertilizers. These products support the development of organic agriculture and contribute to reducing methane emissions by modifying the diet of cattle.
- In 2024, the Company attracted investment to implement a project for the construction of electric vehicle charging stations (EVCS), with a planned capacity of 500 EVCS across Almaty.
- In July 2024, Almaty Finance provided financial support in the amount of KZT 485M for the construction of a solar panel plant with an annual capacity of 250 000 solar modules.



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, AND MODERN ENERGY FOR ALL



PROTECTING, RESTORING, AND PROMOTING SUSTAINABLE USE OF LAND ECOSYSTEMS

- The Company is implementing projects as part of the development of the Eastern Gate Polycenter, which includes, but is not limited to, landscaping and greening efforts that help absorb greenhouse gas emissions by converting unsupervised community land into supervised forest areas. In 2022, this included the creation of Zheltokan and Aspan parks covering a total area of 37.5 hectares, and the renovation and improvement of public gardens totaling 6.2 hectares. In 2023, public gardens covering an additional 1.2 hectares were renovated and improved.

STAKEHOLDER ENGAGEMENT

The Company and its subsidiaries and associates take measures to establish dialogue and long-term cooperation with stakeholders.

AREA OF AUTHORITIES/ RESPONSIBILITIES	AREA OF DIRECT IMPACT	AREA OF INDIRECT INFLUENCE
Sole Shareholder Personnel S&A	Government Authorities Clients/Counterparties Suppliers/Contractors Investors Partners Financial Institutions Independent Organizations Auditors	Mass Media Public Organizations Population Other SECs

The Company's stakeholder engagement process is based on the principle of involvement, which implies consideration of stakeholder interests at all stages of the Company's management process, and their involvement in discussions of significant topics, key issues, potential risks, and areas of responsibility.

Stakeholders	Key Engagement Methods
Sole Shareholder	<ul style="list-style-type: none">• Approving the main areas of activity and general governance matters.• Ensuring the exercise of Sole Shareholder's rights in line with corporate governance principles for effective decision-making in accordance with the legislation of the Republic of Kazakhstan and the Company's Articles of Association.• Providing accurate information on financial and operational performance in accordance with legal requirements, the Articles of Association, and internal regulations;• Sharing information on plans, achievements, and challenges.
Clients	<ul style="list-style-type: none">• Meeting consumer expectations for products and services.• Signing contracts and monitoring contractual compliance.• Conducting customer satisfaction surveys.
Personnel	<ul style="list-style-type: none">• Performing job duties aimed at achieving the Company's objectives and functions.• Maintaining an open and transparent HR policy focused on building a qualified and motivated workforce.• Ensuring equal opportunities for all employees to unlock their potential, fair and unbiased evaluation of performance, and promotion based solely on professional abilities, knowledge and skills.• Conducting employee surveys, including engagement and satisfaction assessments.• Operating an anonymous whistleblowing channel.• Offering training, professional development, and upskilling.• Fostering corporate culture and values.



Stakeholders	Key Engagement Methods
Suppliers / Contractors / Partners	<ul style="list-style-type: none"> Engagement through procurement processes, tender information, and procurement planning. Managing contractual relationships and collaboration during service provision. Holding meetings, calls, and conferences. Business correspondence. Sharing corporate announcements (press releases, website updates), notifications. Disclosing financial and significant non-financial information.
Government Authorities	<ul style="list-style-type: none"> Inviting participation in working groups, forums, and conferences organized by the Company. Preparing and executing procedures required by law of the Republic of Kazakhstan for the Company to participate in government procurement. Coordinating the Company's main areas of activity. Participating in the development and implementation of government entrepreneurship support programs. Providing accurate information in accordance with legal requirements of the Republic of Kazakhstan, Articles of Association and internal regulations of the Company.
Public Organizations	<ul style="list-style-type: none"> Complying with legislation. Signing cooperation and mutual understanding agreements. Engaging in charitable and sponsorship activities. Organizing joint events (meetings, forums, conferences, etc.).
Mass Media	<ul style="list-style-type: none"> Implementing PR campaigns. Communicating the Company's strengths and opportunities to target audiences. Shaping positive public perception. Ensuring transparency through regular, accurate, and timely information disclosure. Supporting brand recognition. Presenting the results of the Company's activities to the public.
International Organizations	<ul style="list-style-type: none"> Signing agreements and memoranda of mutually beneficial cooperation and understanding. Improving and automating business processes. Monitoring contractual compliance.
Society	<ul style="list-style-type: none"> Conducting reputation audits and public opinion surveys. Publishing financial and non-financial reports. Participating in charitable activities. Engaging through social media. Issuing corporate announcements (press releases, website updates), holding press conferences and interviews.

To safeguard the interests of stakeholders, the Company discloses information in a timely and accurate manner in accordance with the legislation of the Republic of Kazakhstan and its internal regulations. This includes all significant aspects of its operations, such as financial standing, performance results, ownership structure, and governance.

To ensure a systematic approach to information disclosure, the Company adopts internal regulations that define the principles and approaches to disclosure and information protection. These regulations outline the types of information disclosed to stakeholders, the timing, procedure, method, and format of disclosure, as well as the responsible officers and employees, specifying their roles and responsibilities, along with other provisions governing disclosure processes.

To protect information considered commercial and official secrets, the Company determines the procedure for classifying information by access level, storage conditions, and use in accordance with the legislation

of the Republic of Kazakhstan. It also designates the list of persons with authorized access to confidential information and implements measures to ensure its protection.

The Company's website is structured, user-friendly, and contains sufficient information for stakeholders to understand the Company's activities.

The website is updated as needed, but no less than once a week. The Company regularly monitors the completeness and relevance of the information published on the website and ensures consistency across the Kazakh, Russian, and English versions. To this end, specific responsible personnel (an organizational unit) are designated to maintain the accuracy and completeness of the website content.

The Company's website contains the following information:

general information about the Company, including its mission, main tasks, goals and areas of activity, amount of equity, total assets, net income, and number of employees

information about the Development Program and/or development plan (at minimum, strategic goals)

priority areas of activity

the Articles of Association and internal documents of the Company regulating the activities of its bodies, committees, and the Corporate Secretary

ethical principles

risk management

Dividend Policy

Members of the Board of Directors, including the following information: photograph (subject to the member's consent), full name, date of birth, nationality, status on the Board of Directors (Independent Director, representative of the Sole Shareholder), functions performed (including committee memberships or role as Chairperson), education (basic and additional – name of educational institution, graduation year, qualification, and degree), work experience over the past five years, primary place of employment and other current positions, professional qualifications, date of first election and current term of office on the Board, number and percentage of shares in affiliated entities

Members of the Management Board, including the following information: photograph, full name, date of birth, nationality, position and functions performed, education (basic and additional – name of educational institution, graduation year, qualification, and degree), work experience over the past five years, professional qualifications, concurrent positions held, number and percentage of shares in affiliated entities

Financial Statements

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External Auditor

structure of the authorized capital, including the following details: number and nominal value of issued shares (interests), description of rights attached to the shares, number and nominal value of authorized but unissued shares, information on the Sole Shareholder, number and percentage of common shares (interests) held, procedure for exercising ownership rights

asset structure, including information on affiliated entities at all levels with a brief description of their activities

sustainable development activities

amount of approved dividends

news and press releases.

The Company prepares its Annual Report in accordance with the provisions of this Code and best practices in information disclosure.



Public opinion plays an important role in the Company's operations. Accordingly, the Company takes a careful and strategic approach to information promotion and public positioning. The effectiveness of this process depends largely on the strategy for building relationships with the media.

The following work was carried out in the areas of marketing and information support:

84 news articles about the activities of the Company and its subsidiaries were prepared and published on the Company's website.

260 posts were prepared and published on social media about the activities of the Company and its subsidiaries.

133 reels were filmed and published on the Company's Instagram account.

During the reporting period, the following media engagement activities were carried out:

More than 69 inquiries from media outlets (including Ls Media, Almaty TV, Channel One Eurasia, Time.kz, Kazakhstan TV, Informburo, Zakon.kz, and Bes Media) were received and responded to within the timeframes set by the legislation of Kazakhstan.

38 TV interviews were organized (with Almaty TV, Atameken Business Channel, Khabar, Channel 31, Channel One Eurasia, etc.).

Over 1,146 media mentions with positive or neutral coverage of the Company or its subsidiaries were recorded.

Meetings were also held with representatives of government, business, and the public, including:

representatives of the French Development Agency (AFD) as part of a mission to explore opportunities for cooperation with Kazakhstan's public financial sector;

representatives of the Korea G-PASS Company Export Association, during which the parties discussed potential cooperation between Kazakhstani and Korean SMEs and the implementation of ESG initiatives;

a delegation from the European Union's agri-food business sector;

representatives of China Railway Sixth Group Co., Ltd., with whom potential cooperation within the framework of the city development program and the Almaty Industrial Zone was discussed;

20 construction companies as part of the implementation of the city's Housing Renovation Program until 2030;

entrepreneurs and heads of major agricultural enterprises and others.

Overall, the process of organizing stakeholder engagement is based on the principle of involvement, which involves considering stakeholder interests at all stages of the Company's management process and engaging them in the discussion of key topics, critical issues, potential risks, and boundaries of responsibility.

The Company believes it is important that its goals and objectives reflect not only the pursuit of strong financial performance but also take into account the global environmental agenda, the evolving needs of society, and the individual interests of its clients and partners.

To this end, the Company considers it essential to ensure the most comprehensive and high-quality disclosure of information, aligned with the interests and expectations of its stakeholders.

SOCIAL RESPONSIBILITY

Employees are the Company's greatest asset and core resource – its performance directly depends on their professionalism and safety.

The Company builds labor relations with its employees based on the principles of legality and adherence to universally recognized labor rights.

In its activities, the Company is guided by the principle of equal opportunity and does not tolerate discrimination in hiring, compensation, access to training, promotions, or dismissals on the basis of gender, race, language, religious, political, or other beliefs, nationality, ethnic or social origin, or disabilities.

On November 18, 2020, Almaty SEC JSC approved its Human Resources Policy.

The purpose of the Company's HR Policy is to form a highly professional team with a strong sense of unity, capable of effectively and promptly fulfilling the Company's objectives through unlocking human potential to the fullest and efficient mechanisms of corporate collaboration.

The Company's HR Policy includes the following key focus areas:

Effective employment, aimed at building an organizational structure aligned with the Company's strategic goals and objectives, identifying staffing needs of departments, and timely recruitment of specialists with the required professional and personal qualities;

Enhancement of corporate culture, focused on creating and maintaining a positive moral and psychological environment within work teams;

Employee motivation, aimed at increasing performance, attracting and retaining talent, and ensuring decent working conditions;

Implementation of gender quotas for women in leadership positions and monitoring of relevant indicators.

The Company adheres to the Labor Code of the Republic of Kazakhstan, international standards, and internal regulations, including:

Rules for Candidate Selection for Vacant Positions;

Employee Certification Rules;

Business Travel Regulations;

Rules for Employee Compensation and Bonuses;

Employee Performance Evaluation Procedures;

Internal Labor Regulations;

Employee Training and Professional Development Rules;

Onboarding and Probation Rules;

Guidelines for Employee Social Support;

Rules on Disciplinary Action.

As of the end of 2024, the Company employed 66 people.

(people)

Actual headcount	66
Gender breakdown:	
Women	27
Men	39
Age breakdown:	
Employees under 30	2
Employees aged 30–50	54
Employees over 50	10



Representation of Women

Share of women in total workforce	41%
Share of women in all management positions	27%
Share of women in junior management positions	23%
Share of women in senior management positions	25%
Share of women in revenue-generating management positions	33%

Personnel recruitment is carried out by the Company based on the need for new employees, as determined by the approved staffing levels and schedule, as well as the availability of vacancies and requests from heads of organizational units.

According to the Rules for Candidate Selection for Vacant Positions, the recruitment process consists of the following stages:

- internal selection;
- external selection.

Internal selection allows current employees to apply for open positions within the Company.

External selection is conducted when there are no suitable internal candidates and includes:

- posting vacancy announcements on the Company's corporate website <https://spkalmaty.kz> and/or on job search platforms,
- using other methods not in conflict with the laws of Kazakhstan and the Company's internal regulations.

The recruitment procedure is carried out in accordance with the Internal Labor Regulations and the Rules for Candidate Selection for Vacant Positions.

Key principles of personnel selection:

- objective and unbiased assessment of a candidate's qualifications for a particular position;
- open and fair recruitment process;
- prevention or proper management of conflicts of interest to avoid adverse effects on the Company's activities;
- prevention of any form of bias (personal gain, favoritism, undue familiarity, threats, etc.).

To ensure effective onboarding, build a positive image of the Company, and reduce discomfort during the initial period of employment, newly hired employees undergo an onboarding and probation process in accordance with the Company's Onboarding and Probation Rules.

Employee Compensation and Incentives

On November 15, 2024, the Company approved a new edition of the Rules for Employee Compensation and Incentives. According to these Rules, the Company's remuneration system consists of a fixed component (base salary) and a variable component (performance-based bonus payments).

The amount of base salary is determined using a grade structure and is established in accordance with the salary scale and the staffing schedule approved by the Company's Management Board.

Employee compensation is paid in accordance with the employment contract and the employer's internal regulations, funded from the annual payroll budget.

The budgeting of payroll expenses is performed by the department responsible based on the average base salary amounts per position according to the approved salary scale and staffing schedule, along with other payments specified in these Rules.

The base salary amount stipulated in the employment contract is indicated before tax and other mandatory deductions in accordance with the legislation of the Republic of Kazakhstan.

All employee payments are made in the national currency of the Republic of Kazakhstan via transfer to a personal bank account at a second-tier bank. Bank service fees related to salary card accounts are covered by the Company.

Compensation for work performed on weekends and public holidays is provided by order of the Chairperson of the Management Board or a duly authorized representative.

Base salary levels are set in line with the staffing schedule and salary grade scale applicable to the position held.

Each grade has a five-step salary range reflecting the minimum to maximum pay levels within that grade.

The salary scale is designed to ensure internal equity (similar pay for roles of comparable value to the Company) and external competitiveness (offering an attractive base pay to recruit and retain talent). The scale is approved by the Management Board and may be adjusted based on economic conditions, inflation, and current labor market trends, including annual or mid-year compensation reviews.

Employee Training and Development

On June 7, 2023, the Rules for Employee Training and Development of Almaty SEC JSC were approved.

The purpose of employee training and professional development is to refresh and further enhance their theoretical and practical knowledge, skills, competencies, and abilities in professional and managerial areas in order to perform their duties effectively and address tasks aligned with the Company's development strategy.

Principles of employee training and professional development:

Alignment of training topics and content with employee responsibilities, performance evaluation results, and the strategic objectives set for each employee;

Focus on solving specific tasks that improve the Company's efficiency and the study of best corporate practices and standards;

Systematic, practical, relevant, meaningful, and planned nature of all training and development activities.

The process of organizing training and professional development includes identifying training needs, preparing the annual training and development plan and budget estimates, arranging training services, and monitoring training effectiveness.

In 2024, 40 employees completed external training in the following 11 areas:

- Risk Appetite: Identification, Assessment, and Monitoring;
- 1C Developer;
- Conciliation Commission;
- Sustainable Development and ESG Basics. Ratings;
- Advanced 1C User;
- Tax Consultant;
- Business Processes in Retail. Using Excel;
- Financial Condition Analysis of the Company;
- Effective PowerPoint Presentations;
- Risk Management;
- IFRS 9: Financial Instruments.

The average number of training hours per employee was 20, with a total of 864 employee-hours of training conducted.



In addition, the Company conducts regular internal training in the following areas:

- Preventing and Combating Corruption;
- Workplace Safety;
- Risk Coordinator Training.

Corporate Culture Development

The development of corporate culture is a key element in building a high-performing organization and a vital component for achieving the Company’s strategic goals.

Throughout 2024, the Company implemented various initiatives aimed at increasing employee satisfaction and engagement. Regular health check-ups for employees were conducted, and the Company took part in charitable events, children’s drawing contests, and similar activities.

In addition, the following tools are used to foster corporate culture within the Company:

- recognition of achievements (certificates of recognition, letters of appreciation);
- team building and the promotion of corporate values;
- motivation (creating a positive and supportive work environment);
- increasing employee satisfaction and awareness.

Various corporate events were held during 2024.

Employee Relations with Management

The Company’s internal communication system is designed to keep employees informed about current developments and support the development of a strong corporate culture.

The Company’s main internal communication channels include:

- corporate email;
- electronic document management system;
- instant messaging and voice communication service – WhatsApp.

Regular meetings are held between management and heads of departments to discuss ongoing matters. In addition, quarterly business breakfasts are organized with managerial staff of the Company and its subsidiaries and associates.

Occupational Health and Safety

On March 15, 2020, the Company approved the Occupational Health and Safety (OHS) Instructions for office workers of Almaty SEC JSC.

In addition to this document, the following internal regulations were developed and approved:

- Introductory Occupational Health and Safety Briefing for Employees (November 2023);
- Instructions for Indoor Fire Safety and Employee Actions in Case of Fire (2022).

The purpose of these instructions is to familiarize employees with their responsibilities for maintaining labor discipline, inform them about the nature of their work, general occupational safety conditions, and key provisions of labor safety legislation.

Office employees are allowed to start work only after completing the following:

- medical examination;
- introductory occupational health and safety (OHS) briefing;
- OHS training and knowledge assessment;

- introductory fire safety briefing;
- verification of knowledge of the above instructions.

people

Number of employees trained in OHS	
Initial briefing	22
Refresher briefing	10
Number of employees trained in fire safety	
Initial briefing	22
Refresher briefing	10
OHS knowledge assessment passed	22

In 2024, the Company carried out the following OHS activities:

- Verification and adjustment of evacuation routes;
- Identification and equipping of designated safe muster points for employees exiting the building;
- Inspection to ensure unobstructed access to emergency exits;
- Earthquake evacuation drill;
- Inspection and control of availability of primary fire extinguishing equipment;
- Inspection and control of availability of first aid supplies, etc.

The Company enters into annual health insurance agreements for its employees. In 2024, 91% of employees were covered under a voluntary health insurance agreement with Eurasia Insurance Company JSC.

No incidents of occupational injuries, accidents, or other emergencies were recorded at the Company in 2024.

Charity and Volunteering

The Company provides support by offering premises on a gratuitous basis or under socially subsidized rental terms. In 2024, the Company supported 32 social projects.

For the third consecutive year, Company employees have voluntarily participated in the “Box of Kindness” campaign, bringing joy to children from a children’s hospice during the New Year season.





ENVIRONMENTAL DIMENSION

In planning and implementing its environmental activities, the Company adheres to the following core principles:

Strictly complying with the environmental protection requirements of the legislation of the Republic of Kazakhstan, applicable standards and regulations, and internal documents

Prioritizing preventive measures to avoid negative environmental impact over measures to eliminate its consequences

Reducing excessive resource consumption and minimizing existing environmental impact through the implementation of energy-efficient technologies, reducing water consumption, and minimizing office paper usage by introducing electronic document management systems and double-sided printing practices

Ensuring the minimization of environmental risks at all stages of implementation of financed projects

Fully compensating for environmental damage resulting from the Company's activities

Maintaining open communication, raising awareness, and regularly reporting to the public, the Sole Shareholder, the competent governmental authority in the field of environmental protection, and other stakeholders on significant environmental aspects of the Company group's activities

Ensuring continuous improvement of the Environmental Management System and performance indicators through the assignment of responsibilities and powers for its maintenance and effective operation.

Quantitative indicators of the Company's fuel and energy resource consumption (excluding S&As) are presented in the table below:

Consumption of fuel and energy resources by the Company

Fuel and energy resources (GJ)	2021	2022	2023	2024
Consumption of non-renewable fuels (gasoline)	877.5	593.8	249.3	146.3
Consumption of renewable fuels	0	0	0	
Electricity consumption	1 160.8	856.2	723.1	682.6
Thermal energy consumption	245.0	195.9	172.2	1 033.7
Energy used for cooling	0	0	0	
TOTAL	1 499.9	1 111.9	954.1	1,862.6

In 2024, the Company's total energy consumption amounted to 1 862.6 GJ.

The Company does not engage in off-site energy consumption.

Internal water consumption is insignificant and regulated by office lease agreements, as is energy use. The Company does not perform water abstraction; water supply and wastewater disposal are connected to the centralized municipal systems.

Water consumption by the Company, thousand m³

Water source	2021	2022	2023	2024
From underground sources	0	0	0	0
From municipal and other water supply systems	3.68	2.69	2.61	1.26
TOTAL	3.68	2.69	2.61	1.26

Water discharge by the Company, thousand m³

Receiving entity	Volume, thousand m ³			
	2021	2022	2023	2024
Transfer to third parties (Almaty Su State Utility Enterprise)	3.65	2.67	2.59	1.24

The Company's operating and funded facilities are not located within, adjacent to, or containing specially protected natural areas (SPNAs) designated under applicable law, nor in areas of high biodiversity value outside of SPNAs.

In accordance with legal requirements, all new and expanding projects undergo an environmental impact assessment, which includes biodiversity considerations.

The Company tracks direct GHG emissions from mobile sources. There are no stationary combustion sources owned by the Company.

Direct greenhouse gas emissions (excluding S&As)

Year	Volume of direct greenhouse gas emissions (CO ₂), tons
2021	6.71
2022	4.27
2023	4.19
2024	10.44

Air quality protection is a key environmental objective in the Company's operations.

The Company obtains timely permits for emissions from vehicles, pays the air pollution tax, and implements measures to reduce atmospheric pollutant emissions resulting from vehicle use.

There are currently no emissions of ozone-depleting substances. The primary source of pollutant emissions is the operation of gasoline-powered vehicles; there are no other emission sources.

Year	Volume of air pollutant emissions, tons
2021	0.00202
2022	0.00118
2023	0.00044
2024	0.00038

During its operations, the Company generates household waste. A comprehensive set of measures is being developed and implemented to improve the Waste Management System.

The Company practices a system of separate waste collection. Each floor is equipped with color-coded containers to facilitate waste sorting for recycling or reuse: blue – paper, green – glass, orange – plastic, yellow – metal.

All waste is transferred to specialized organizations for disposal or landfill.

Overall, the Company's key environmental indicators show that direct resource consumption and direct emissions are insignificant.

According to the environmental protection legislation of Kazakhstan, both scheduled and unscheduled inspections may be carried out by governmental authorities. These inspections may result in fines for non-compliance.

From 2021 to 2024, no penalties were imposed on the Company following inspections by the competent environmental protection authority.

In 2024, the Company engaged an independent firm to calculate greenhouse gas emissions for the period from 2021 to 2023. Based on the results, a Climate Report was prepared and made available on the Company's corporate website.



CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

Corporate governance is aimed at improving the efficiency of the Company and its subsidiaries and associates, ensuring transparency and accountability, strengthening its reputation, and reducing the cost of capital raising.

The Company views a sound Corporate Governance System as its contribution to upholding the rule of law in the Republic of Kazakhstan and as a key factor in determining the Company’s position in the modern economy and society at large.

The Company’s main internal documents on corporate governance include:

- Articles of Association
- Corporate Governance Code
- Code of Business Ethics
- Stakeholder Map
- Corporate Social Responsibility Policy
- Sustainability Policy
- Risk Management Policy
- Information Security Policy
- Anti-Corruption Policy
- HR Policy
- Board of Directors Regulation
- Management Board Regulation
- Ombudsman Regulation
- And other IRDs.

The fundamental principles of the Company include:

- Principle of Separation of Powers
- Principle of Protecting the Rights and Interests of the Sole Shareholder
- Principle of Effective Management of the Company by the Board of Directors and the Management Board
- Principle of Sustainable Development
- Principle of Risk Management, Internal Control, and Internal Audit
- Principle of Regulating Corporate Conflicts and Conflicts Of Interest
- Principle of Transparency and Objectivity in Disclosing Information about the Company’s Activities.

CORPORATE GOVERNANCE STRUCTURE

The main governing bodies of the Company are:

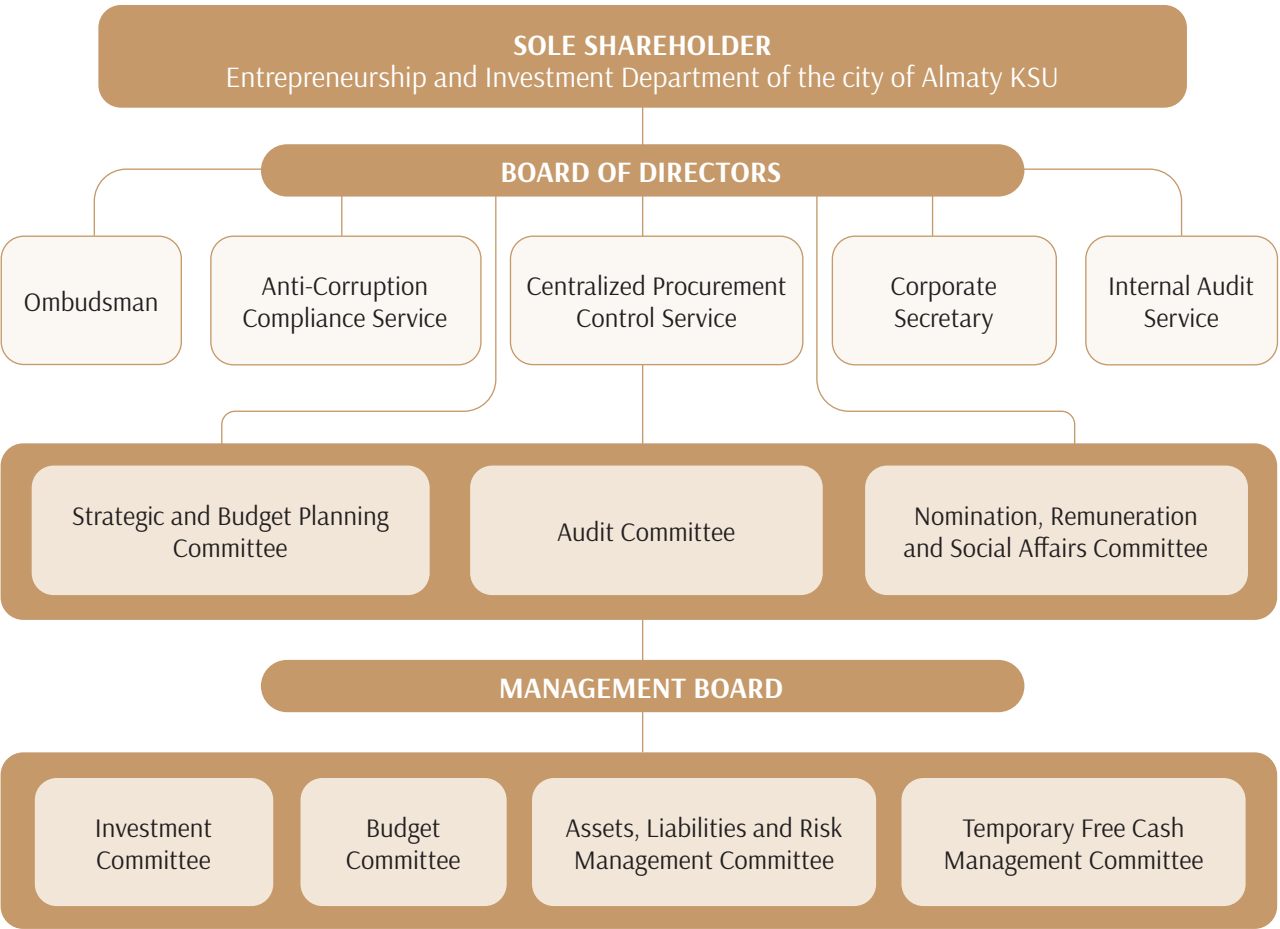
- Sole Shareholder – the highest governing body
- Board of Directors – the governing body
- Management Board – the executive body.

The Company’s corporate governance structure ensures the effectiveness of the decision-making system, the protection of the interests of the Sole Shareholder, high standards of information disclosure, and the operation of effective Risk Management and Internal Control Systems.

According to the Russel Bedford diagnostic results, the Company demonstrates a high level of compliance with corporate governance standards (77.66%) and strives for efficient operations, relying on the active involvement of the state.



The governance structure features a clear organization, well-defined competencies, and transparent procedures, ensuring consistency and efficiency in management. The Company is committed to achieving gender balance, diversity, and improved decision-making processes.



SOLE SHAREHOLDER

The Department of Entrepreneurship and Investment of Almaty MPI acts as the Sole Shareholder of the Company in order to ensure the profitability of the Company’s operations and the implementation of state and government programs in which the Company participates.

The Sole Shareholder participates in the management of the Company exclusively by exercising the powers of the Sole Shareholder as provided for by the laws of the Republic of Kazakhstan, the Company’s Articles of Association, and through representation on the Company’s Board of Directors.

The Sole Shareholder grants the Company full operational autonomy and does not interfere in its operational (day-to-day) and investment activities, except in cases provided for by the laws of the Republic of Kazakhstan, orders and instructions of the President of the Republic of Kazakhstan, and the Government of the Republic of Kazakhstan.

Transactions and relations between the Company, the Sole Shareholder, and stakeholders are carried out on a normal commercial basis in accordance with the applicable legislation of the Republic of Kazakhstan, except where one of the Company’s key objectives is the implementation of or assistance in implementing government policies aimed at developing specific sectors of the Republic of Kazakhstan.

The Company ensures that the Sole Shareholder is promptly and fully informed about its activities that affect the Sole Shareholder’s interests, in accordance with the Company’s Articles of Association and internal documents.



The Company provides the Sole Shareholder with accurate information on its financial and economic activities and performance results in accordance with the requirements of the legislation of the Republic of Kazakhstan. Where the Company's commercial activities are combined with the implementation of public policy objectives, such objectives are disclosed and communicated to stakeholders.

The Company ensures the exercise of the rights of the Sole Shareholder, including:

- the right to own, use, and dispose of shares;
- the right to participate in the management of the Company and to elect the Board of Directors in accordance with the Joint-Stock Company Law of the Republic of Kazakhstan and/or the Company's Articles of Association;
- the right to receive a portion of the Company's profit (dividends);
- the right to receive a portion of the Company's assets in the event of its liquidation;
- the right to obtain information about the Company's activities, including access to its financial statements, in accordance with the procedure defined by the Sole Shareholder or the Company's Articles of Association;
- the right to submit written inquiries to the Company regarding its activities and to receive well-reasoned and comprehensive responses within the timeframes established by the Company's Articles of Association;
- the right to receive a statement from the Company's registrar or nominee holder confirming their ownership of securities;
- the right to challenge decisions made by the Company's governing bodies in court;
- the right to file claims in court on their own behalf, in the cases provided for in Articles 63 and 74 of the Joint-Stock Company Law of the Republic of Kazakhstan, seeking compensation from the Company's officers for losses caused to the Company, or the return of profits (income) received by such officers and/or their affiliates resulting from the conclusion (or proposal to conclude) of major transactions and/or interested-party transactions;
- the right of pre-emptive purchase of shares or other securities of the Company convertible into shares, as prescribed by the Joint-Stock Company Law of the Republic of Kazakhstan, unless otherwise provided by legislative acts of the Republic of Kazakhstan;
- the right to decide on changes to the number or type of the Company's shares, in accordance with the Joint-Stock Company Law of the Republic of Kazakhstan.

BOARD OF DIRECTORS

The Board of Directors is a governing body that provides strategic guidance to the Company and oversees the activities of the Management Board.

The Board of Directors performs its functions in accordance with the legislation of the Republic of Kazakhstan, the Company's Articles of Association, the Corporate Governance Code, the Board of Directors Regulation, and other documents of the Company.

The number of members of the Board of Directors is determined by the Sole Shareholder. The composition of the Board is established individually, taking into account the scale of operations, current tasks, development program and/or development plan, and financial capabilities.

The composition of the Board of Directors must be balanced, meaning a combination of representatives of the Sole Shareholder, Independent Directors, and the Chairperson of the Management Board, ensuring that decisions are made in the interests of the Company and its economic development objectives.

The term of office of the Board of Directors is established by the Sole Shareholder. The term of office of members of the Board coincides with the term of the entire Board of Directors and ends when the Sole Shareholder adopts a resolution to elect a new Board of Directors. The Sole Shareholder has the right to terminate the powers of all or any of the members of the Board of Directors before the end of their term.

The process of selecting and electing members of the Company's Board of Directors is carried out by resolution of the Sole Shareholder in accordance with the Joint-Stock Company Law of the Republic of Kazakhstan, the Company's Articles of Association, and the Board of Directors Regulation, which also define the criteria for the selection of Independent Directors.

When selecting candidates for the Board of Directors, the following are taken into account:

- experience in executive positions
- previous experience as a Board of Directors member
- length of service
- education and qualification, including international certifications
- expertise in relevant sectors and industries (which may vary depending on the asset portfolio)
- professional reputation
- presence of an actual or potential conflict of interest.

The composition of the Board of Directors must include and ensure the participation of Independent Directors.

An Independent Director is a person who possesses sufficient professionalism and autonomy to make independent and objective decisions, free from the influence of the Sole Shareholder, the Management Board, and other stakeholders.

The requirements for Independent Directors are established in accordance with the Board of Directors Regulation and the legislation of the Republic of Kazakhstan.

The Board of Directors must consist of at least five (5) members.

The number of Independent Directors on the Board of Directors must be no less than thirty percent of the total number of Board members. At the same time, the number of Independent Directors must be sufficient to ensure the independence of decision-making. The recommended proportion of Independent Directors on the Board of Directors is up to fifty percent of the total composition.

Independent Directors are elected for a term not exceeding three years, with the possibility of re-election for another term of up to three years, subject to satisfactory performance.

Any appointment of an Independent Director to the Board of Directors for more than six (6) consecutive years (e.g., two three-year terms) is subject to special consideration with a view to ensuring the quality renewal of the Board's composition.

It is recommended that the same individual not serve as an Independent Director on the Board of Directors for more than nine consecutive years. In exceptional cases, election for a term exceeding nine years is permissible, provided that the appointment is accompanied by a detailed explanation of the need to appoint such a director and the impact of this fact on the director's independence in decision-making.

Independent Directors on the Board of Directors must be free from any material interests or relationships with the Company, its management, or its ownership that could compromise their ability to exercise objective judgment.



MEMBERS OF THE BOARD OF DIRECTORS



YERBOLAT DOSSAYEV

Almaty Akim,
Chairperson of the Board of Directors of Almaty SEC JSC

Date of birth: May 21, 1970
Nationality: Republic of Kazakhstan

Education:

Almaty Institute of Power Engineering,
Bauman Moscow State Technical University

Work experience:

1997 – Deputy Chairperson of the Management Board of TuranAlem Bank CJSC, Chairperson of the Management Board of ATFBank CJSC
1998 – Advisor to the Prime Minister of the Republic of Kazakhstan
1998 – Vice Minister of Energy, Industry and Trade of the Republic of Kazakhstan
2000 – Vice Minister of Finance of the Republic of Kazakhstan
2001 – Chairperson of the Board of Directors of the Development Bank of Kazakhstan
2001–2003 – Chairperson of the Agency of the Republic of Kazakhstan for Regulation of Natural Monopolies, Protection of Competition and Support of Small Business
2003–2004 – Minister of Finance of the Republic of Kazakhstan, Managing Director of the European Bank for Reconstruction and Development in Kazakhstan, Member of the Management Board of the National Bank of the Republic of Kazakhstan
2004–2006 – Minister of Healthcare of the Republic of Kazakhstan
2006–2012 – Chairperson of the Board of Directors of Kazinvestbank JSC
On September 25, 2012 – Minister of Economic Development and Trade of the Republic of Kazakhstan
On January 16, 2013 – Minister of Economy and Budget Planning of the Republic of Kazakhstan
On August 6, 2014 – Minister of National Economy of the Republic of Kazakhstan
From May 2016 to August 2017 – Chairperson of the Management Board of Baiterek National Managing Holding JSC
From August 2017 to February 2019 – Deputy Prime Minister of the Republic of Kazakhstan
From February 25, 2019 to January 2022 – Chairperson of the National Bank of the Republic of Kazakhstan
On January 31, 2022 – appointed Akim of Almaty by Presidential Decree

Awards:

Order of Kurmet, Order of Parassat, Anniversary Medal “20 Years of the Constitution of Kazakhstan”



ALISHER ABDYKADYROV

Deputy Akim of Almaty,
Member of the Board of Directors of Almaty SEC JSC

Date of birth: April 6, 1986
Nationality: Republic of Kazakhstan
Election date: March 2, 2022, by Resolution No. 2 of the Department of Entrepreneurship and Investment of Almaty MPI

Education:

Lomonosov Moscow State University, Bachelor’s Degree in Economics and Master’s Degree in Economics

Work experience:

2009 – Expert of the Investment Projects Department at the Ministry of Industry and Trade of the Republic of Kazakhstan
From 2010 to 2014 – Chief Expert, Head of the Investment Projects Department of the Investment Committee; Deputy Director of the Strategic Planning Department of the Ministry of Industry and New Technologies of the Republic of Kazakhstan
From 2014 to 2015 – Deputy Chairperson of the Investment Committee of the Ministry of Investment and Development of the Republic of Kazakhstan
In subsequent years, he served as Head of the Department for Industrial and Innovative Development of Pavlodar Region (2015–2016), and Head of the Department for Investment and Entrepreneurship Development of Astana (2016–2019)
In 2019 – Appointed Chairperson of the Management Board of QazIndustry Kazakhstan Industry and Export Center JSC
From 2020 to 2021 – Deputy Akim of Karaganda Region
From 2021 to 2022 – Vice Minister of National Economy of the Republic of Kazakhstan
Since February 2022 – Deputy Akim of Almaty



ALISHER SATYBALDIYEV

Member of the Board of Directors of Almaty SEC JSC

Date of birth: February 19, 1990
Nationality: Republic of Kazakhstan
Election date: July 10, 2024, by Resolution No. 29 of the Department of Entrepreneurship and Investment of Almaty MPI

Education:

Turan University,
University of International Business (UIB), Maxwell School of Citizenship and Public Affairs (Executive Certificate of Advanced Study),
Academy of Public Administration under the President of the Republic of Kazakhstan.

Work experience:

He started his career in 2012 as a Chief Specialist, then Department Head of Natural Resources and Environmental Management Department MPI.
From 2016 to 2017, he held superior positions in business entities and non-governmental organizations.
From 2017 to 2019 – Deputy Head of the Department for the Implementation of Environmental Programs of the Department of Natural Resources and Regulation of Nature Management of East Kazakhstan Region SI.
From 2019 to 2021 – Deputy Akim of Zhetysay District of Almaty.
In 2021 – Advisor to the Chairperson of the Management Board, Chief of Staff of the Chairperson of the Management Board of Almaty SEC JSC.
From May 2022 to June 2024 – General Director, Chairperson of the Management Board of Almaty Industrial Zone LLP.
Since July 2024 – Head of the Department of Entrepreneurship and Investment of Almaty MPI.



KANAT BALYKBAYEV

Member of the Board of Directors of Almaty SEC JSC
Chairperson of the Management Board of Almaty SEC JSC

Date of birth: April 22, 1980
Nationality: Republic of Kazakhstan
Election date: May 2, 2024, by Resolution No. 16 of the Department of Entrepreneurship and Investment of Almaty MPI

Education:

Y. Buketov Karaganda State University, majoring in Law (Qualification: Lawyer) and Finance (Qualification: Economist);
AlmaU, MBA;
University of Potsdam (Germany), advanced training courses.

Work experience:

2002–2003 – Agency of the Republic of Kazakhstan for the Regulation of Natural Monopolies and Protection of Competition, Leading Specialist.
2003–2004 – Ministry of Finance of the Republic of Kazakhstan, Chief Specialist.
2004–2006 – Ministry of Healthcare of the Republic of Kazakhstan, Chief Specialist.
2007–March 2009 – Kazakhtelecom JSC, Astana, Deputy Director of the Department.
April 2009–2013 – BTA Bank JSC, Almaty, Head of Department.
2013–2015 – Ministry of National Economy of the Republic of Kazakhstan, Deputy Director of the Department.
July 2015–July 2022 – National Center for Expertise Republican State Institution with the Right of Economic Management of the Committee for Sanitary and Epidemiological Control of the Ministry of Healthcare of the Republic of Kazakhstan, General Director.
December 2022–April 2024 – Head of a company providing healthcare services to the public.
Since May 2024 – Chairperson of the Management Board of Almaty SEC JSC.

**ABAY SARKULOV**

Member of the Board of Directors, Independent Director, Chairperson of the Audit Committee, Chairperson of the Strategic and Budget Planning Committee, Member of the Nomination, Remuneration and Social Affairs Committee of the Board of Directors of Almaty SEC JSC

Date of birth: August 13, 1981

Nationality: Republic of Kazakhstan

Election date: August 19, 2022, by Resolution No. 11 of the Department of Entrepreneurship and Investment of Almaty MPI

Education:

K. Zhubanov Aktobe State University, majoring in Banking (1999–2003).

Work experience:

2003–2006 – Foreign Exchange Transactions Manager of International Bank Alma-Ata JSC.

2006–2007 – Acting Deputy Director of a branch of International Bank Alma-Ata JSC.

2007–2015 – Manager of the Infrastructure Projects Lending Department, Chief Manager, Head of Department, Deputy Head of the Project Directorate, Head of the Project Directorate of Development Bank of Kazakhstan JSC.

2015–2016 – Managing Director and Member of the Management Board of Development Bank of Kazakhstan JSC.

2016–2017 – Deputy Chairperson of the Management Board of Development Bank of Kazakhstan JSC.

2017–2019 – Chairperson of the Management Board of DAMU Entrepreneurship Development Fund JSC.

April 2019 – January 2022 – Chairperson of the Management Board of Development Bank of Kazakhstan JSC.

Since February 2022 – Founder of Osmium Ltd., CEO of FINHUB Ltd.

Other governing body memberships:

Independent Director, Member of the Board of Directors of Aktobe SEC JSC.

**DAMIR SUYENTAYEV**

Member of the Board of Directors, Independent Director, Chairperson of the Nomination, Remuneration and Social Affairs Committee, Member of the Audit Committee, Member of the Strategic and Budget Planning Committee of the Board of Directors of Almaty SEC JSC

Date of birth: January 15, 1984

Nationality: Republic of Kazakhstan

Election date: July 11, 2018, by Resolution No. 11 of the Department of Entrepreneurship and Investment of Almaty MPI

Education:

Kazakh State Law Academy, majoring in Law,

Kazakh Humanitarian and Law University (2001–2006),

T. Ryskulov Kazakh Economic University, majoring in Economics (2006–2008),

Russian Presidential Academy of National Economy and Public Administration, Moscow, MBA in Innovation and Project Management (2012–2014),

Holder of the highest professional qualification from the UK Institute of Directors – Chartered Director IoD.

Work experience:

October 2006 – February 2008 – Advisor at Atameken National Union of Entrepreneurs and Employers of Kazakhstan.

October 2006 – April 2008 – Director of the Department for Corporate Governance and Development of the Republican Union of Secondary Metallurgy Industry.

May 2008 – December 2008 – Manager of the Corporate Development Department of Kazyna Sustainable Development Fund JSC.

December 2008 – May 2009 – Chief Manager of the Special Programs Department of National Welfare Fund JSC.

May 2009 – May 2011 – Chief Manager of the Directorate for Financial Institutions and Development Institutions Management of National Welfare Fund JSC.

May 2011 – June 2011 – Director of the Corporate Development Department of DAMU Entrepreneurship Development Fund JSC.

June 2011 – January 2015 – Managing Director of Kazakhstan Engineering JSC.

August 2014 – September 2017 – Independent Director, Chairperson of the Internal Audit, Strategic Planning and Risk Committee of Kazagromarketing JSC.

2015 – 2021 – Advisor to the Chairperson of the Management Board of the Union of Machine-Builders of Kazakhstan.

2016 – 2021 – Deputy Chairperson, Chairperson of the Republican Fintech Industry Union.

Since 2021 – CEO of National Center for Expertise and Certification JSC.

Other roles:

Member of the Presidential Youth Personnel Reserve, Independent Director, Member of the Board of Directors, Chairperson of the Audit Committee of KEGOC JSC



MURAT KHUDAYBERGENOV

Member of the Board of Directors, Independent Director,
Member of the Audit Committee,
Member of the Strategic and Budget Planning Committee,
Member of the Nomination,
Remuneration and Social Affairs Committee of the Board of
Directors of Almaty SEC JSC

Date of birth: April 7, 1961
Nationality: Republic of Kazakhstan
Election date: August 19, 2022, by Resolution No. 11 of the Department
of Entrepreneurship and Investment of Almaty MPI

Education:

Alma-Ata Institute of National Economy, majoring in Economics (1986).

Work experience:

1982–1984 – Technician, Engineer at the Research Institute for the Automation of Processes and Improvement of Management Structures under the State Planning Committee of the Kazakh SSR.
1984–1986 – Member of the Komsomol Committee of the Alma-Ata Institute of National Economy.
1986–1988 – Research Intern at the Economic Planning Department of Alma-Ata Institute of National Economy.
1988–1992 – Economist, Deputy Head of the Planning and Production Department of Kazhydromet, Kazakh SSR.
1992–1997 – Head of the Production Department, Alcom LLP.
1997–1998 – Director, Accept LLP.
1998–1999 – Chairperson of the Committee for State Control over the Production and Circulation of Alcohol Products at the Ministry of Finance of the Republic of Kazakhstan.
2000–2001 – Director, Adani LLP.
2001–2008 – First Deputy Director, Nursultan Nazarbayev Education Fund.
2004–2008 – Member of the Board of Directors, KBTU JSC.
2008–2012 – Advisor to the Director, Nursultan Nazarbayev Education Fund.
2016–2020 – Chairperson of the Management Board, Baiterek Development JSC; Member of the Board of Directors.
2020–2022 – Advisor to the Chairperson of the National Bank of the Republic of Kazakhstan.
Since February 2022 – Advisor to the Chairperson of the Management Board, Almaty City Development Center JSC.

All members of the Board of Directors are citizens of the Republic of Kazakhstan. None of them hold shares in the Company, or in its suppliers or competitors.

Age of BoD Members, %			Gender composition of the BoD, %	
Aged 30–50	71%		Men	100%
Aged 50 and above	29%		Women	0%

Changes in the composition of the Board of Directors in 2024:

1. The powers of A. Shamshin were early terminated by Resolution No. 10 of the Sole Shareholder dated April 15, 2024.
2. K. Balykbayev was elected as a member of the Board of Directors by Resolution No. 16 of the Sole Shareholder dated May 2, 2024.
3. The powers of B. Soltanbayev were early terminated by Resolution No. 22 of the Sole Shareholder dated June 25, 2024.
4. A. Satybaldiyev was elected as a member of the Board of Directors by Resolution No. 29 of the Sole Shareholder dated July 10, 2024.

In 2024, the Board of Directors held 10 meetings, including 6 in person and 4 in absentia. A total of 44 matters were considered. All resolutions of the Board of Directors were implemented. The average attendance rate of the BoD members was 97.2%.

Key matters considered by the Board of Directors in 2024:

1. Strategic, financial, economic, and investment-related matters:

Review of the 2023 KPI Report under the Development Program of Almaty SEC JSC for 2023–2025.
Approval of the Key Performance Indicator Scorecards for the executives of Almaty SEC JSC for 2024.
Introduction of amendments to the Investment Policy of Almaty SEC JSC.
Approval of the involvement of Sensata East Gate LLP as a co-investor under Project Agreement No. 289 dated June 12, 2023, concluded between Almaty SEC JSC and SENSATA CONSTRUCTION LLP.
Introduction of amendments to Project Agreement No. 65 dated December 30, 2022, concluded between Almaty SEC JSC and the Consortium represented by KazSpecEnergService LLP.
Approval of a loan agreement with Magnum Cash&Carry LLP in the amount of KZT 1,501,035,000 to stabilize vegetable prices in Almaty.
Preliminary approval of the consolidated and separate audited financial statements of Almaty SEC JSC for 2023, the procedure for distribution of net income for 2023, and the amount of dividends per common share.
Approval of the Performance Report under the Development Plan of Almaty SEC JSC for 2023.
Approval of the performance results of the KPI Scorecards and the payment of bonuses to the management of Almaty SEC JSC based on 2023 results.
Update of KPIs and their target values for 2024–2025 under the Development Program of Almaty SEC JSC for 2023–2025.
Buyback of shares of Almaty SEC JSC and transfer of the property of the incomplete budget investment project “Construction of Municipal Bus Depot No. 3 in Almaty” into municipal ownership of Almaty.
Placement (sale) of authorized shares of Almaty SEC JSC and increase in the authorized capital of Capital Construction Company of the Akimat of Almaty City LLP through an additional contribution by Almaty SEC JSC in the form of cable duct infrastructure;

Issuance of a guarantee in the amount of KZT 7,350,000,000 in favor of AOM SDF I B.V. for the project “Construction of an Industrial Complex for the Production of Paints, Lacquers and Varnishes in the Almaty Industrial Zone.

2. Corporate governance and sustainable development, as well as risk management, internal control and audit matters:

Approval of the Activity Report and the KPI Performance Report of the Centralized Procurement Control Service of Almaty SEC JSC for 2023.

Approval of the Activity Report and the KPI Performance Report of the Anti-Corruption Compliance Service (ACCS) of Almaty SEC JSC for 2023.

Approval of the Activity Report and the KPI Performance Report of the Internal Audit Service of Almaty SEC JSC for 2023.

Approval of the Activity Report and the KPI Performance Report of the Corporate Secretary of Almaty SEC JSC for 2023.

Approval of the Corporate Governance Improvement Action Plan of Almaty SEC JSC for 2024–2025.

Approval of the Risk Management Report of Almaty SEC JSC for Q4 2023.

Approval of the Risk Register, Risk Management Action Plan, and Risk Map of Almaty SEC JSC for 2024.

Approval of the Key Risk Indicators Sheet of Almaty SEC JSC for 2024.

Approval of the Risk Management Reports of Almaty SEC JSC for Q1 and Q2 2024.

Approval of the revised Risk Management Policy of Almaty SEC JSC.

Approval of the Ombudsman Regulation of Almaty SEC JSC.

Approval of the Activity Report and the KPI Performance Report of the Internal Audit Service of Almaty SEC JSC for H1 2024.

Approval of the Activity Report and the KPI Performance Report of the Anti-Corruption Compliance Service of Almaty SEC JSC for H1 2024.

Approval of the Activity Report and the KPI Performance Report of the Centralized Procurement Control Service of Almaty SEC JSC for H1 2024.

Introduction of amendments to the 2024 Work Plan of the Centralized Procurement Control Service of Almaty SEC JSC.

Approval of the Activity Report and the KPI Performance Report of the Corporate Secretary of Almaty SEC JSC for H1 2024.

Approval of the composition of the committees of the Board of Directors of Almaty SEC JSC.

Approval of the revised Rules for Remuneration, Performance Evaluation and Incentives for Executive Employees of Almaty SEC JSC.

Approval of the revised Rules for Remuneration, Performance Evaluation and Incentives for Employees of Services Reporting to the Board of Directors of Almaty SEC JSC.

3. Human resources policy matters:

Early termination of powers of the Chairperson of the Management Board of Capital Construction Company of the Akimat of Almaty City LLP and election of a new Chairperson of the Management Board of Capital Construction Company of the Akimat of Almaty City LLP.

Determination of the term of office and remuneration of the Chief Auditor of the Internal Audit Service of Almaty SEC JSC.

Early termination of powers of the Chairperson of the Management Board of Almaty Finance LLP and election of a new Chairperson of the Management Board of Almaty Finance LLP.



Early termination of powers of the Chairperson of the Management Board of Almaty SEC JSC.

Election of the Chairperson of the Management Board of Almaty SEC JSC.

Appointment of the Head of the Anti-Corruption Compliance Service of Almaty SEC JSC.

COMMITTEES OF THE BOARD OF DIRECTORS

The Company has established three committees under the Board of Directors:

	Number of members	Number of meetings in 2024	Number of matters considered
Strategic and Budget Planning Committee	3 (4 members until Oct 9, 2024)	6	14
Audit Committee	3 (4 members until Oct 9, 2024)	6	27
Appointments, Remuneration and Social Affairs Committee	3 (4 members until Oct 9, 2024)	8	19
TOTAL		20	60

The committees report to the Board of Directors in accordance with the authority delegated to them by the Board of Directors and in accordance with the relevant Committee Regulations.

Members of the Committees are elected by resolution of the BoD, in accordance with the Joint-Stock Company Law, the Corporate Governance Code, and the Company's Articles of Association.

Strategic and Budget Planning Committee

Name	Meeting attendance, %	Reason for absence
A. Sarkulov (Chairperson)	100	
D. Suyentayev	100	
M. Khudaibergenov	84.3	1 meeting – due to annual leave
B. Soltanbayev (until Oct 9, 2024)	0	Powers terminated early by Resolution No. 22 of the Sole Shareholder dated June 25, 2024

The main function of the Committee is to develop and present recommendations to the Board of Directors on the following matters:

Activities of the Management Board of the Company in defining the Company's mission and objectives.

Activities of the Management Board of the Company in developing the Company's development strategy and defining its long-term goals.

Oversight of the implementation of strategic and budget planning by the Management Board of the Company.

Preliminary approval of the Company's Financial Plan and Budget for the following year.

Preliminary approval of the Company's Development Plan (Strategy) for the following year.

Preliminary review of the Reports on implementation of the Company's Development Plan (Strategy) for the relevant year.

The Company's investment activities and control over improving the efficiency of investment decision-making.



Audit Committee

Name	Meeting attendance, %	Reason for absence
A. Sarkulov (Chairperson)	100	
D. Suyentayev	100	
M. Khudaibergenov	84.3	1 meeting – due to annual leave
B. Soltanbayev (until Oct 9, 2024)	25	Powers terminated early by Resolution No. 22 of the Sole Shareholder dated June 25, 2024

Development and submission of recommendations to the Board of Directors on the following matters:

Establish an effective system for monitoring the Company's financial and economic activities (including the completeness and reliability of financial reporting).

Oversee the reliability and effectiveness of Internal Control and Risk Management Systems, as well as compliance with corporate governance documents.

Monitor the independence of external and internal audit, as well as the process of ensuring compliance with the legislation of the Republic of Kazakhstan.

Appointments, Remuneration and Social Affairs Committee

Name	Meeting attendance, %	Reason for absence
D. Suyentayev (Chairperson)	100	
A. Sarkulov	100	
M. Khudaibergenov	87.5	1 meeting – due to annual leave
B. Soltanbayev (until Oct 9, 2024)	50	Powers terminated early by Resolution No. 22 of the Sole Shareholder dated June 25, 2024

The main function of the Committee is to develop and present recommendations to the Board of Directors on the following matters:

HR policy
appointments
evaluation and remuneration
social policy (corporate social responsibility matters).

EVALUATION OF THE BOARD OF DIRECTORS' PERFORMANCE

The Board of Directors, its committees, and individual members of the Board are evaluated on an annual basis in accordance with the internal documents of the Company. In addition, at least once every three years, the evaluation must be conducted with the involvement of an independent professional organization.

The evaluation process is intended to assess the contribution of the Board of Directors and each of its members to the achievement of the Company's strategic development goals, as well as to identify areas for improvement and recommend appropriate measures. The evaluation results are taken into account when re-electing or prematurely terminating the powers of members of the Board of Directors.

The evaluation is one of the key tools for enhancing the professionalism of the Board of Directors and its individual members. It is mandatory for both Independent Directors and representatives of the Sole Shareholder.

The evaluation is based on the principles of regularity, comprehensiveness, continuity, realism, and confidentiality.

The process, timeline, and procedure for evaluating the performance of the Board of Directors, its committees, and its members should be clearly defined in the Company's internal documents and must adhere to the principles of regularity, comprehensiveness, continuity, realism, and confidentiality.

The evaluation results may serve as grounds for re-electing the entire Board of Directors or individual members, revising its composition, or adjusting the remuneration of Board members. In cases where there are serious shortcomings in the performance of certain members, the Chairperson of the Board of Directors holds consultations with the Sole Shareholder.

The Board of Directors discloses in its Annual Report the method of performance evaluation and the measures taken based on its results. Following the evaluation, the Board of Directors may petition the Sole Shareholder to implement specific actions to enhance its effectiveness, including improvements to its operations, adjustments to work plans, training for Board members, and the incorporation of evaluation outcomes into the Board's activities.

MANAGEMENT BOARD

The Management Board is the collective executive body of the Company, accountable to the Board of Directors and the Sole Shareholder. It is formed in accordance with the Company's Articles of Association and is responsible for managing the Company's day-to-day operations in the interests of the Company and its Sole Shareholder.

The Management Board is authorized to make decisions on any matters related to the Company's activities that do not fall within the competence of other bodies or officers of the Company under the laws of the Republic of Kazakhstan and the Articles of Association of the Company, including matters that are specifically within its competence.

Members of the Management Board are citizens of the Republic of Kazakhstan and do not own shares in the Company or in the Company's suppliers or competitors.

The rights and obligations of the Management Board members are defined by the Company's Articles of Association, the Management Board Regulation, and other internal regulatory documents of the Company.

The Management Board Regulation sets out the procedure for forming and operating the Management Board, the rights and obligations of its members, the process for decision-making and resolution documentation, and the monitoring of resolution implementation.

Composition of the Management Board as of December 31, 2024:

Chairperson of the Management Board – Kanat Balykbayev – took up his duties on May 2, 2024. He chairs the Company's Management Board and exercises overall supervision, coordination, and management of all organizational units and employees of the Company.

Deputy Chairperson of the Management Board – Anuar Gabdullin – oversees and coordinates the activities of the following departments: Asset Management, Food Supply and Trade, and Project Management.

Deputy Chairperson of the Management Board – Yerden Aldazharov – oversees and coordinates the activities of the following departments: Finance, Accounting and Reporting, Risk Management, Administration and Monitoring.

Deputy Chairperson of the Management Board – Zoya Kassenova – oversees and coordinates the activities of the following departments: Strategy and Corporate Development, Information Technology, and the Press Service.

Age of Management Board members, %		Gender composition of the Management Board, %	
Aged 30–50	100%	Men	75%
Aged 50 and above	0%	Women	25%





The competence of the Management Board includes adopting resolutions on any matters relating to the Company's operations that are not within the competence of the Sole Shareholder, the Board of Directors, or other officers of the Company as defined by the laws of the Republic of Kazakhstan and the Articles of Association, including:

- Managing the current operations of the Company and ensuring the implementation of resolutions adopted by the Sole Shareholder and the Board of Directors.
- Preliminary review of matters submitted to the Board of Directors, except for those relating to the composition of the Company's governing bodies, election of their members, operating procedures, remuneration terms, etc.
- Approving internal documents adopted to organize the Company's activities, except for those documents the approval of which is within the competence of the Sole Shareholder and/or the Board of Directors under the legislation of the Republic of Kazakhstan and/or the Articles of Association.
- Approving the staffing schedule within the organizational structure and total headcount approved by the Board of Directors.
- Approving the Company's Rules for Employee Compensation and Bonuses, as well as the salary grade structure for employees (excluding employees whose compensation terms fall within the exclusive competence of the Board of Directors).
- Approving the Company's Guidelines for Employee Social Support.
- Approving standard internal regulations governing the operations of the Company's subsidiaries and associates.
- Deciding to establish committees under the Management Board comprising Company employees and other persons for the purpose of developing proposals for the Management Board.
- Making decisions on the establishment, composition, and approval of regulations for committees (commissions) under the Company's Management Board.
- Approving the Company's budget within the financial limits set out in the Development Plan.
- Making decisions on increasing the Company's liabilities by an amount not exceeding ten (10) percent of the Company's equity and on entering into other transactions, except for transactions that fall within the competence of other Company's bodies under the legislation of the Republic of Kazakhstan and/or the Articles of Association.
- Entering into transactions on behalf of the Company in accordance with the legislation of the Republic of Kazakhstan and the Articles of Association.
- Preparing reports on the Company's operations.
- Making decisions on production-related matters of the Company's internal operations.
- Reviewing the Performance Reports presented by the Company's subsidiaries annually and submitting reports to the Board of Directors.
- Approving the trademark and other corporate identity elements.
- Other matters in accordance with the Company's internal regulations that are not within the competence of other Company's bodies as determined by the legislation of the Republic of Kazakhstan and/or the Articles of Association.

The Management Board is authorized to initiate the convening of a meeting of the Company's Board of Directors.

The Management Board decides on preliminary approval of matters to be submitted to the Board of Directors.

The Management Board shall implement the resolutions of the Sole Shareholder and the Board of Directors of the Company.

The Management Board may, when necessary, establish advisory and consultative collective working bodies (committees, commissions, boards, etc.) composed of members of the Management Board, Company employees, and other individuals to prepare non-binding recommendations for the Chairperson of the Management Board and the Management Board on specific areas of the Company's operations. These bodies may also be created to prepare and preliminarily review matters within the competence of the Management Board. The Management Board may engage independent experts to address matters requiring specialized knowledge or to resolve urgent issues in the Company's operations.

In 2024, the Management Board held 64 meetings, including 9 in absentia and 55 in person. A total of 236 matters were considered. The average attendance rate of the Management Board members was 100%.

Key matters considered by the Management Board in 2024 included:

13%	Matters related to the approval or amendment of IRDs, including:
<ul style="list-style-type: none">• Introduction of amendments to the Rules for Leasing Non-Residential Premises for Social Entrepreneurship by Almaty SEC JSC.• Approval of the Asset Management Department Regulation of Almaty SEC JSC.• Approval of the Asset Disposal Rules of Almaty SEC JSC.• Approval of the Rules for Organizing and Conducting Auction Sales at Almaty SEC JSC for Leasing Concession Stands (Food Outlets).• Approval of the Regulation on Interaction between Almaty SEC JSC and Its Subsidiaries.• Approval of the Business Process Regulation of the Asset Management Department of Almaty SEC JSC.• Approval of the Access Control Instruction of Almaty SEC JSC.• Approval of Amendments No. 3 to the Articles of Association of Capital Construction Company of the Akimat of Almaty City LLP.• Introduction of amendments to the Investment Policy of Almaty SEC JSC.• Approval of the Rules for Using Mobile Devices and Data Carriers at Almaty SEC JSC.• Approval of the Rules for Physical Protection of Information Processing Tools and Secure Functioning of Information Resources at Almaty SEC JSC.• Approval of the Asset Disposal Rules of Almaty SEC JSC.• Approval of the Rules for Information Resources Access Control of Almaty SEC JSC.• Approval of the Confidential Information Regulation of Almaty SEC JSC.• Introduction of amendments to the Rules for Organizing and Conducting Auction Sales at Almaty SEC JSC for Leasing Concession Stands (Food Outlets).• Introduction of amendments to the Administration and Monitoring Department Regulation of Almaty SEC JSC.• Approval of the Rules for Identification, Classification, and Labeling of Assets Related to Information Processing Tools of Almaty SEC JSC.• Introduction of amendments to the Articles of Association of Almaty SEC JSC.• Introduction of amendments to the Rules for Leasing Non-Residential Premises for Social Entrepreneurship.• Introduction of amendments to the Rules for Organizing and Conducting Auction Sales at Almaty SEC JSC for Leasing Concession Stands (Food Outlets) and Land Plots for Installing a Concession Stand.• Introduction of amendments to the Stakeholder Map of Almaty SEC JSC.• Approval of the revised Risk Management Policy of Almaty SEC JSC.• Approval of the Ombudsman Regulation of Almaty Social-Entrepreneurial Corporation JSC.• Approval of the revised Corporate Governance Code of Almaty SEC JSC.• Approval of the Salary Grade Scheme and Staffing Schedule of Almaty SEC JSC.• Approval of the revised Standard Regulation on the Anti-Corruption Compliance Service of Almaty SEC JSC.• Approval of the Rules for Developing, Coordinating, Monitoring, and Updating the Strategy (Development Program) of Almaty SEC JSC.• Introduction of amendments to the Accounting Policy of Almaty SEC JSC.	



- Introduction of amendments to the Corporate Accounting Policy of the Almaty SEC JSC Group of Companies.
- Approval of the Rules for Organizing the Authentication Procedure at Almaty SEC JSC.
- Approval of the Regulation on the Publication and Placement of Information Materials on the Corporate Website and Official Accounts of Almaty SEC JSC.

55% Operational activities and S&A management matters:

- Summarizing results and signing project agreements with the successful bidders of the investment project joint implementation bidding.
- Approval of Loan Agreements, Lease Agreements, and other agreements.
- Introduction of amendments to Lease Agreements, Guarantee Agreements, Sublease Agreements, and Project Agreements.
- Reassessment of positions, approval of changes to the grading structure and the staffing schedule.
- Summarizing the results of the investment project implementation bidding.
- Review of cooperation matters within ongoing programs.
- Approval of 2024 Action Plans, including those related to sustainable development, business process automation, improvement of risk management activities, and others.
- Approval of employees' KPI Scorecards.
- Employee bonus decisions.
- Property recognition.
- Adjustments to the financial and operational performance indicators.
- Amendments to procurement prices for SSFPs.
- Acknowledgement of the results of diagnostics, audits, and conducted studies.
- Approval of the Procurement Plan for Goods, Works, and Services.
- Extension of contract terms.
- And many other matters.

18% Matters Submitted to the Sole Shareholder for Consideration:

- Election of the Managing Director, member of the Management Board of Capital Construction Company of the Akimat of Almaty City LLP.
- Approval of the Regulation on Interaction between Almaty SEC JSC and its Subsidiaries.
- Placement (sale) of common shares of Almaty SEC JSC, including the number of shares to be placed (sold) within the authorized share volume, the method and price of placement (sale).
- Certain matters related to Innovation Safety Centre LLP.
- Approval of Amendments No. 3 to the Articles of Association of Capital Construction Company of the Akimat of Almaty City LLP.
- Approval of the organizational structure of Almaty Finance LLP.
- Certain matters related to Innovation Safety Centre LLP.
- Approval of the Corporate Governance Code of Almaty Industrial Zone LLP.
- Conclusion of the Joint Project Implementation Agreement between Capital Construction Company of the Akimat of Almaty City LLP and KazSMU LLP for the renovation project in the Moldagaliyev-Tolstoy-Akynov-Spartak (Block 6) Streets in Turksib District of Almaty.
- Conclusion of the Joint Project Implementation Agreement between Capital Construction Company of the Akimat of Almaty City LLP and Aisultan Holding Company LLP for the renovation project in the Sauranbayev-Moldagaliyev-Tolstoy-Chernyshevsky (Phase 3 of Block 3) Streets in Turksib District of Almaty.
- Approval of the Asset Disposal Rules of Almaty SEC JSC.
- Early termination of powers of a member of the Management Board and election of a new member of the Management Board of Almaty Finance LLP.

- Approval of a revised Financial Feasibility Study for increasing the authorized capital of Almaty SEC JSC under the Concessional Lending to SMEs Project.
- Approval of temporary financial assistance to Almaty SEC JSC from temporarily available funds of Almaty Finance LLP in the amount of One billion five hundred million tenge (KZT 1,500,000,000) for 11 months.
- Amendments to the Articles of Association of Almaty Social-Entrepreneurship Corporation JSC.
- Approval of the organizational structure of Almaty Industrial Zone LLP.
- Adjustment of the salary of the Deputy Chairperson – member of the Management Board of Almaty Finance LLP, Zhuldyz Igenov.
- Changes to the Supervisory Board of Capital Construction Company of the Akimat of Almaty City LLP.
- Early termination of powers of the General Director – member of the Management Board of Almaty Industrial Zone LLP, A. Satybaldiyev.
- Obtaining a second-tier bank guarantee by Capital Construction Company of the Akimat of Almaty City LLP.
- Certain matters related to Innovation Safety Centre LLP.
- Certain matters related to Almaty Industrial Zone LLP.
- Increase of the authorized capital of Capital Construction Company of the Akimat of Almaty City LLP through an additional contribution by Almaty SEC JSC.
- Election of Deputy General Director, member of the Management Board of Almaty Industrial Zone LLP.
- Approval of the audited financial statements of Capital Construction Company of the Akimat of Almaty City LLP for 2023, and determination of the procedure for net income distribution and dividend amount.
- Approval of the consolidated and separate audited financial statements of Almaty Finance LLP for 2023, and determination of the procedure for net income distribution and dividend amount.
- Approval of the audited financial statements of Almaty Industrial Zone LLP for 2023, and determination of the procedure for net income distribution and dividend amount.
- Amendments to the Stakeholder Map of Almaty SEC JSC.
- Approval of the 2023 Annual Report of Almaty SEC JSC.
- Approval of financing for Orken Education LLP under the project “Construction of a Private Secondary School at 14A Sarsenbin Street, Karagaily Microdistrict, Nauryzbay District, Almaty”.
- Approval of the Loan Agreement between Almaty SEC JSC and the Department of Entrepreneurship and Investment of Almaty MPI.
- Election of Deputy General Director, member of the Management Board of Almaty Industrial Zone LLP and adjustment of salary for A. Tuyakov in this position.
- Early termination of powers of the Chairperson of the Management Board of Almaty Finance LLP.
- Preliminary approval of financing for ALAESTATE LLP under the project “Completion of the Small Industrial Park Construction in Almaty Industrial Zone.”
- Approval of amendments to the Supervisory Board Regulation of Capital Construction Company of the Akimat of Almaty City LLP.
- Approval of amendments to the Management Board Regulation of Capital Construction Company of the Akimat of Almaty City LLP.
- Election of Director of the Legal Support Department, member of the Management Board of Almaty Industrial Zone LLP.
- Disposal of Almaty SEC JSC's 49% equity interest in Innovation Safety Centre LLP as part of the 2021–2025 Comprehensive Privatization Plan.
- Approval of the salary scheme of Capital Construction Company of the Akimat of Almaty City LLP.
- Approval of the salary scheme of Almaty Industrial Zone LLP.
- Approval of the salary scheme of employees of Almaty Finance LLP.
- Placement (sale) of common shares of Almaty SEC JSC, including the number of shares to be placed (sold), within the authorized number of shares, and the method and price of placement (sale).


14% Matters submitted to the Board of Directors for consideration:

- Review of the results of the internal analysis of corruption risks in the activities of Almaty SEC JSC.
- Approval of the Corporate Governance Improvement Action Plan of Almaty SEC JSC for 2024–2025.
- Early termination of powers of the Chairperson of the Management Board of Almaty Finance LLP and election of a new Chairperson of the Management Board.
- Approval of the KPI Scorecards for executives of Almaty SEC JSC for 2024.
- Amendments to the Investment Policy of Almaty SEC JSC.
- Approval of the Risk Management Report of Almaty SEC JSC for Q4 2023.
- Approval of the Risk Register, Risk Management Action Plan, and Risk Map of Almaty SEC JSC for 2024.
- Acknowledgement of the 2023 Performance Report on the Development Program of Almaty SEC JSC for 2023–2025.
- Approval of the disposal of a land plot by SENSATA CONSTRUCTION LLP in favor of Sensata East Gate LLP.
- Approval of a loan to Magnum Cash&Carry LLP in the amount of KZT 1 501 035 000.
- Introduction of amendments to Project Agreement No. 65 dated December 30, 2022 between Almaty SEC JSC and the Consortium represented by KazSpecErgoService LLP.
- Update of KPIs and Their Target Values for 2024–2025 as approved in the Development Program of Almaty SEC JSC for 2023–2025.
- Approval of the separate and consolidated audited financial statements of Almaty SEC JSC for 2023, determination of the procedure for distributing net income for the past financial year, and dividend amount per common share of Almaty SEC JSC.
- Approval of the Performance Report under the Development Plan of Almaty SEC JSC for 2023.
- Buyback of shares of Almaty SEC JSC and transfer of the property of the incomplete budget investment project “Construction of Municipal Bus Depot No. 3 in Almaty” located at 1/65 A. Mambetov Street, Kokkainar Microdistrict, Alatau District, Almaty, into municipal ownership of Almaty.
- Introduction of amendments to Minutes No. 6 of the in-person meeting of the Board of Directors of Almaty SEC JSC dated August 16, 2024.
- Approval of the revised Risk Management Policy of Almaty SEC JSC.
- Approval of the Risk Management Reports of Almaty SEC JSC for Q1 and Q2 2024.
- Approval of the Ombudsman Regulation of Almaty Social-Entrepreneurship Corporation JSC.
- Approval of the Anti-Corruption Compliance Service Report for H1 2024.
- Approval of the Internal Audit Service Report for H1 2024.
- Placement (sale) of authorized shares of Almaty SEC JSC and increase of the authorized capital of Capital Construction Company of the Akimat of Almaty City LLP through an additional contribution by Almaty SEC JSC.
- Introduction of amendment to the Policy on Ensuring Fulfillment of Obligations to Almaty SEC JSC dated December 20, 2022.
- Issuance of a guarantee in the amount of KZT 7 350 000 000 in favor of AOM SDF I B.V. for the project «Construction of an Industrial Complex for the Production of Paints, Lacquers, and Varnishes in the Almaty Industrial Zone.»
- Approval of the Annual Audit Plan of Almaty Social-Entrepreneurship Corporation JSC for 2025.
- Approval of the revised Model Anti-Corruption Compliance Service Regulation of Almaty SEC JSC.
- Approval of the Anti-Corruption Compliance Program of Almaty SEC JSC for 2025.
- Introduction of amendments to the Accounting Policy of Almaty SEC JSC.
- Introduction of amendments to the Corporate Accounting Policy of the Almaty SEC Group of Companies.
- Approval of the Risk Management Report of Almaty SEC JSC for Q3 2024.
- Approval of the Risk Appetite Indicators of Almaty SEC JSC.
- Election of the Chairperson of the Management Board of Almaty Finance LLP.
- Clarification of the Development Plan of Almaty SEC JSC for H2 2024.
- Annual update of the Development Plan of Almaty SEC JSC for 2022–2026 (2025–2026 period).

The Chairperson and members of the Management Board are evaluated by the Board of Directors. The primary evaluation criterion is the achievement of corporate and functional KPIs.

KPI Scorecards for the Chairperson and members of the Management Board are approved annually by the Board of Directors and include financial indicators, core activity metrics, as well as indicators related to corporate governance and the improvement of internal business processes.

The evaluation results influence remuneration, bonuses, reelection (or reappointment), and early termination of powers.

The remuneration of the Chairperson and members of the Management Board consists of a fixed and a variable component. When determining the salary, the following factors are considered: the complexity of assigned tasks, the individual's competencies and competitiveness in the labor market, their contribution to the development of the Company, the level of salaries at peer organizations, and the Company's overall economic situation.

In the event of early termination of the employment contract, remuneration is paid in accordance with the internal documents approved by the Company's Board of Directors.

The main condition for awarding annual bonuses is the presence of consolidated net profit for the reporting year.



MEMBERS OF THE MANAGEMENT BOARD



KANAT BALYKBAYEV
Chairperson of the Management Board, BoD Member

Date of Birth: April 22, 1980
Citizenship: Republic of Kazakhstan

Education:

Y. Buketov Karaganda State University, majoring in Law (Qualification: Lawyer) and Finance (Qualification: Economist).
AlmaU, MBA.
University of Potsdam (Germany), advanced training courses.

Work Experience:

He started his career in 2002 at the Agency of the Republic of Kazakhstan for Regulation of Natural Monopolies and Protection of Competition.

He has held various positions in the banking sector, telecommunications industry, Ministry of Finance, Ministry of Healthcare, and Ministry of National Economy of the Republic of Kazakhstan.

He led the National Center for Expertise Republican State Institution with the Right of Economic Management for 7 years.

From late 2022 until his appointment, he ran a private company.

Total work experience in the public, quasi-public, and private sectors of the Republic of Kazakhstan exceeds 20 years.

Since May 2024, he has served as the Chairperson of the Management Board of Almaty Social-Entrepreneurial Corporation JSC.



ANUAR GABDULLIN
Deputy Chairperson of the Management Board

Date of Birth: September 9, 1982
Citizenship: Republic of Kazakhstan

Education:

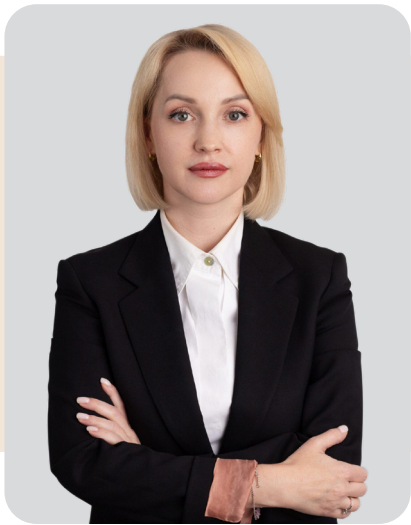
Al-Farabi Kazakh National University with a degree in Finance and Credit (Banking).
MBA in Management from the International Business Academy.

Work Experience:

Over 17 years of banking experience in corporate lending.

From 2003 to 2020, he held executive positions at Bank CenterCredit JSC, Alliance Bank JSC, Sberbank JSC SB, and Almaty Finance LLP.

Since December 2022, he has served as Deputy Chairperson of the Management Board of Almaty SEC JSC.



ZOYA KASSENOVA
Deputy Chairperson of the Management Board

Date of Birth: July 16, 1981
Citizenship: Republic of Kazakhstan

Education:

T. Ryskulov Kazakh Economic University with a degree in Management in the Social Sphere and Industries.
International Taraz Innovative Institute with a degree in Law.

Work Experience:

She held executive positions at various times at UAPF – Otan JSC, Kazakhstan Mortgage Company IO (later HCSB JSC), and second-tier banks. She has over 20 years of professional experience.
Since June 2023, she has served as Deputy Chairperson of the Management Board of Almaty SEC JSC.



YERDEN ALDAZHAROV
Deputy Chairperson of the Management Board

Date of Birth: February 21, 1985
Citizenship: Republic of Kazakhstan

Education:

T. Ryskulov Kazakh Economic University.
Beijing Language and Culture University.

Work Experience:

He started his career in 2006 at AstanaEnergoSbyt LLP. From March 2012 to June 2019, he held executive positions at Kazakhstan-China Pipeline LLP, Beineu-Shymkent Gas Pipeline LLP, Northwest Pipeline Company MunaiTas LLP, and Sroy Project KZ LLP.
Since June 2023, he has served as Deputy Chairperson of the Management Board of Almaty SEC JSC.



CORPORATE RISK MANAGEMENT SYSTEM

On October 9, 2024, the Board of Directors of Almaty SEC JSC approved the revised version of the Risk Management Policy. This document reflects the vision, goals, and objectives of the Corporate Risk Management System (CRMS) within the Company, defines the risk management structure and key components of the Risk Management System, ensures a systematic and consistent approach to risk management processes, outlines the Company's general approaches to risk classification, and includes elements linking the CRMS with planning, budgeting, and incentive processes, as well as criteria for evaluating the effectiveness of the CRMS.

The primary goal of the CRMS is to improve the management of threats and opportunities, thereby supporting the process of increasing the Company's capitalization. The CRMS also pursues the following objectives:

- Develop and implement uniform and consistent approaches to risk identification, assessment, and management within the Company, while simplifying procedures for vertical (management-level) and horizontal (experience sharing) risk communication

- Respond promptly to emerging risk events and monitor changes in the external and internal environment

- Organize targeted risk management activities aimed at reducing risks to an acceptable level or transferring them to third parties (e.g., insurance, hedging)

- Systematize and further accumulate information about the Company's risks in order to enhance business manageability

- Ultimately, increase the Company's capitalization through more effective and optimized risk management.

The main objectives of the CRMS are to:

- prevent the occurrence of events that may threaten the achievement of strategic and operational goals

- mitigate the impact of such events, if they occur, to an acceptable level

- respond effectively to unexpected situations and manage them

- maintain a systematic risk management process as part of the overall framework for ensuring an effective internal control environment

- provide reasonable assurance to stakeholders that the Company is managing risks effectively.

Risk management within the Company is a continuous, dynamic, and ongoing process.

Principles of the risk management process:

- Integrity: Considering the aggregate risk elements across the Company's group within the context of the Corporate Risk Management System.

- Transparency: Prohibiting the treatment of the Corporate Risk Management System as isolated or autonomous.

- Structure: The integrated Risk Management System has a clearly defined structure.

- Awareness: Risk management is supported by objective, reliable, and up-to-date information.

- Continuity: Risk management is carried out on an ongoing basis.

- Cyclicity: The risk management process follows a consistently recurring cycle of its core components.

The structure of the Company's Risk Management System involves risk oversight at multiple levels, engaging the following bodies and units within the Company: the Board of Directors, the Management Board, the designated Risk Management Officer, and other organizational units.

Once the strategic goals (development directions) are defined, the Company identifies the risks that may hinder the achievement of these goals. It also determines its risk appetite – the amount of risk the Company is willing to accept in pursuit of its objectives.

To identify risks, the Company uses a combination of methodologies and tools, including risk identification based on goals and objectives, industry and international benchmarking, workshops and discussions, interviews, loss event databases, etc.

Identified events and risks are organized into a Risk Register. The Company's Risk Register is a comprehensive list of risks it may face in its operations, along with potential scenarios of risk realization. An owner is assigned to each risk, i.e., the unit responsible for managing the risk based on its functional role. The Register is continuously updated by the Company's departments as new risks are identified.

All identified and assessed risks are mapped on a Risk Map. The Risk Map helps assess the relative significance of each risk (compared to others) and highlights critical risks that require specific risk mitigation plans.

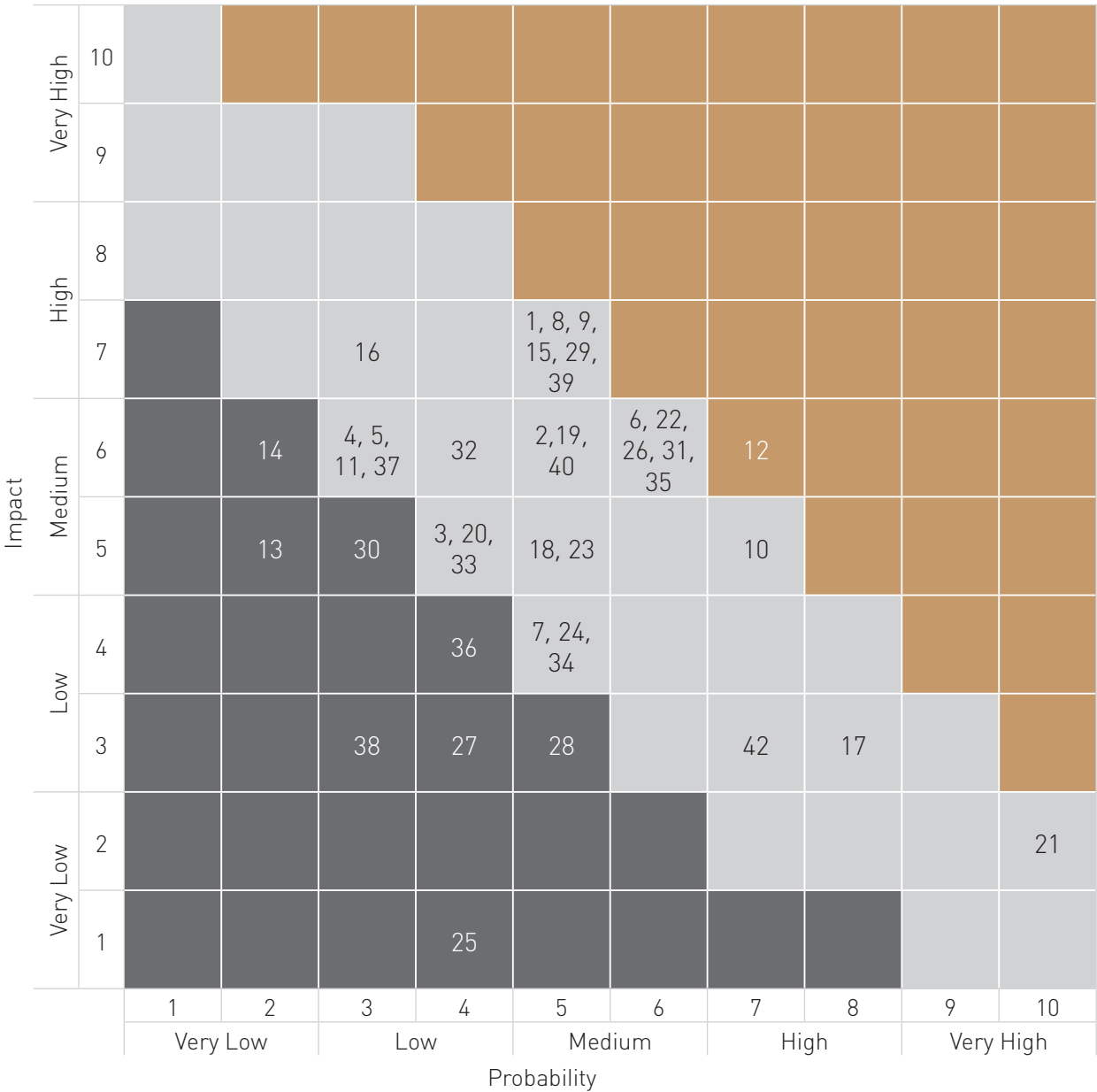
The results of risk identification and assessment are submitted to the Management Board and the Board of Directors in the form of a risk report, which includes information on critical risks and related mitigation plans.

Risk management is the process of developing and implementing measures to reduce the likelihood and impact of losses or to obtain financial compensation if losses occur as a result of the Company's operational risks.



Risk Map

Risk Map as of December 31, 2024



RISK AREAS

- risk of non-compliance with the Company's requirements when assessing the creditworthiness of a borrower/project participant (13);
 - risks related to procurement process violations (25);
 - untimely or poor-quality submission of reports/information to the Founder or other governmental authorities (27);
 - untimely review of complaints/inquiries within the Company (28);
 - information security risks and non-compliance with information security requirements (30);
 - the Company's violation of or non-compliance with the laws of the Republic of Kazakhstan on anti-money laundering and counter-terrorism financing (36);
 - failure to meet prudential standards set by the regulator (38);
 - risks in the area of sustainable development (41).
-
- corporate governance risks (1);
 - reputational risk (2);
 - risk of failure implementing the Company's development strategy (3);
 - political and geopolitical risks (4);
 - audit risks (5);
 - risk of delay in implementing the Housing Renovation Program in Almaty (6);
 - risk of disruption in implementing the program to stabilize prices for SSFPs (7);
 - inefficient use of funds received under the Financial Feasibility Study (FFS) (8);
 - inefficient use of entrusted assets (9);
 - risk of non-implementation of investment and budgetary investment projects (10);
 - credit risk due to financial deterioration of counterparty bank issuers against which the Company has claims (11);
 - lack of liquid assets to carry out activities and/or no access to capital markets for raising funds (14);
 - risk of incorrect collateral/property valuation (15);
 - credit risk related to the Company's inability to fulfill loan obligations (16);
 - risks of force majeure (external factors preventing the Company's operations) (17);
 - incorrect or untimely planning of the Company's Development Plan/Budget (18);
 - fraud and/or corruption by employees or third parties (19);
 - risk of inaccurate information being provided by a responsible officer (20);
 - risks of ineffective internal control (21);
 - incorrect accounting and tax reporting (22);
 - incorrect accounting of issued loans/project investment (23);
 - personnel risks related to recruitment and development (24);
 - errors and incorrect execution of operations during business processes or performance of duties (26);
 - document flow and records management risks, archiving (29);
 - disruption of routine operations due to IT system failures and/or unavailability of IT services (31);
 - lack of backup copies of key IT systems/key information (32);
 - violations or incorrect application of legislation / incurrence of financial or other obligations in connection with the Company's claims-related activities (33);
 - adverse changes in legislation; lack of required regulation for the Company's activities (34);
 - non-compliance of internal documents with the laws of the Republic of Kazakhstan (35);
 - violations of laws on transactions with parties affiliated or otherwise related to the Company (37);
 - risk of incorrect execution of pledge/guarantee (encumbrance) agreements for loans/projects (39);
 - risk of land use rights cancellation related to various projects (40);
 - risks related to the operations of fairs and social concession stands (42).

- risk of non-repayment or late repayment of loans by companies financed under programs (exit from project) (12).



Risks and Mitigation Measures

No.	Risk	Mitigation Activity
1	Risk of non-repayment or late repayment of loans by companies financed under programs (exit from project) (12)	<ul style="list-style-type: none"> Monitoring of projects and financial statements of project participants; Notifying project participants of upcoming or overdue payments; Automation of processes; Measures to terminate/suspend lending or project participation, including: <ul style="list-style-type: none"> suspension of lending, unscheduled monitoring, early debt repayment/exit from the project, initiating claims and legal proceedings.
2	Risk of delay in implementing the Housing Renovation Program in Almaty (6)	<ul style="list-style-type: none"> Negotiations with residents; Public hearings on the district development; Negotiations with investors; Negotiations with competent authorities and LEAs; Cooperation with subsidiaries and obtaining reports on program implementation.
3	Inefficient use of funds received under the FFS (8)	<ul style="list-style-type: none"> Monitoring and control of the use of funds received from the state budget/FFS; Control over the implementation of corrective and preventive action plans to eliminate identified nonconformities through reviews at the meetings of the Company's AB; Timely and accurate reporting on the use of budgetary funds.
4	Inefficient use of entrusted assets (9)	<ul style="list-style-type: none"> Analytical summary of assets; Monitoring and control of the implementation of subsidiary development programs; Control over the implementation of corrective and preventive action plans through reviews at the meetings of the Company's AB; Timely and proper planning of subsidiaries' budgets; Compilation and updating of the Asset Register; Holding tenders for asset disposal; Quarterly monitoring of projects involving the assets and compliance with contract terms; Control over the implementation of the Action Plan to Correct Identified Nonconformities; Return of assets to state ownership if there is no interest from potential project applicants.
5	Incorrect accounting and tax reporting (22)	<ul style="list-style-type: none"> Process automation during 2024; 1C reports in accordance with the Company's Automation Plan for 2024; Reporting to governmental authorities and the Founder; Employee training and professional development; Internal control of transactions; Audit of financial statements.
6	Risk of non-implementation of investment and budgetary investment projects (10)	<ul style="list-style-type: none"> Selecting reliable partners for project implementation; Project monitoring; Developing Company's staff competencies (training); Reviewing changes in project implementation conditions; Litigation.

No.	Risk	Mitigation Activity
7	Fraud and/or corruption by employees or third parties (19)	<ul style="list-style-type: none"> Strict compliance with anti-corruption and anti-fraud policies; Proper accounting, allocation, use, and storage of fixed assets and inventories in accordance with regulations; Informing the Security Service (SS) and the ACCS of suspicions or any received information about potential fraud or corruption committed by the Company's employees; Providing the Company's employees and third parties with the right to confidentially report known facts or suspicions of fraud or corruption in any ways not in conflict with the Kazakh laws; Ensuring proper control over fraud and corruption risk management by officers/ACCS/SS; Regular employee training on anti-corruption laws and IRDs; Audits and internal investigations.

INTERNAL AUDIT

The Company has established an Internal Audit Service to provide a systematic and independent assessment of the reliability and effectiveness of the Risk Management and Internal Control Systems, as well as corporate governance practices.

Subsidiaries and associates may also establish separate bodies that perform internal audit functions in the form of a Revision Commission/Auditor, which are functionally accountable to the Supervisory Board. The objectives, functions, and responsibilities of the Revision Commission/Auditor, and the procedure for their interaction with the entity's bodies, are determined in accordance with principles applicable to the Internal Audit Service.

The Internal Audit Service carries out its activities based on a risk-based (annual) audit work plan approved by the Board of Directors. The results of audit reports, key findings, and relevant recommendations are submitted to the Board of Directors for review at least once every six months.

The Head of the Internal Audit Service takes into account the risk management concept adopted by the Company, as well as their own professional judgment about risks formed in consultation with the Management Board and the Audit Committee.

In carrying out its activities, the Internal Audit Service assesses the effectiveness of Internal Control, Risk Management, and Corporate Governance Systems in accordance with generally accepted auditing standards and corporate standards, based on methodologies approved by the Board of Directors.

The assessment of the effectiveness of the Internal Control System includes:

- 1) Analyzing whether the objectives of business processes, projects, and organizational units align with the Company's goals; verifying the reliability and integrity of business processes (activities) and information systems, including the reliability of procedures to counter illegal actions, abuse, and corruption.
- 2) Verifying the accuracy of accounting (financial), statistical, managerial, and other reporting; identifying the performance of business processes and organizational units in relation to established objectives.
- 3) Determining the adequacy of the criteria established by the Management Board for analyzing the degree of achievement of the set objectives.
- 4) Identifying deficiencies in the Internal Control System that have prevented (or may prevent) the achievement of objectives.
- 5) Assessing the results of the implementation of measures to correct violations, address deficiencies, and improve the Internal Control System across all management levels.
- 6) Verifying the effectiveness and appropriateness of resource utilization.



- 7) Verifying the safeguarding of the Company's assets.
- 8) Verifying compliance with the laws of the Republic of Kazakhstan, the Articles of Association, and internal documents of the Company.

The assessment of the effectiveness of the Risk Management System includes:

- 1) Verifying the adequacy and maturity of the elements of the Risk Management System for effective risk management (goals and objectives, infrastructure, process organization, regulatory and methodological framework, interaction among organizational units within the Risk Management System, and reporting).
- 2) Verifying the completeness of risk identification and the accuracy of risk assessment by the executive body at all levels of its management.
- 3) Verifying the effectiveness of control procedures and other risk management measures, including the efficiency of resource utilization allocated for these purposes.
- 4) Analyzing information on realized risks (e.g., violations identified through internal audits, failures to achieve established goals, and court proceedings).

The assessment of corporate governance includes the verification of:

compliance with ethical principles and corporate values of the Company
 procedures for goal setting, monitoring, and control of their achievement
 the level of regulatory support and information exchange procedures (including internal control and risk management issues) at all management levels, including interaction with stakeholders
 protection of the rights of the Sole Shareholder and the effectiveness of relationships with stakeholders
 procedures for disclosure of information about the activities of the Company and its subsidiaries and associates.

In accordance with Article 182 of the State Property Law of the Republic of Kazakhstan, state-controlled joint-stock companies, with the exception of the National Welfare Fund, must conduct an independent assessment of corporate governance at least once every three years. The results of this assessment must be published on the companies' websites.

On October 23, 2023, the Company entered into an agreement with Russell Bedford A+ Partners International Audit Company LLP (based on the results of competitive bidding) to conduct an independent assessment (diagnostics) of corporate governance. As a result of this assessment, the Company received a corporate governance compliance rating of 77.66%, indicating its alignment with international standards.

Between December 1 and 20, 2024, the Internal Audit Service conducted a diagnostic review of corporate governance within the Company and its subsidiaries and associates.

Based on the results of this Corporate Governance System (CGS) diagnostic, the actual effectiveness ratings were as follows:

Company – 86.29%
 AIZ LLP – 57.82%
 CCC – 52.55%
 Almaty Finance – 63.14%
 Almaty MFO – 63.88%.

To improve the level of corporate governance in S&As, the Internal Audit Service recommended the development of a roadmap that includes phased implementation of corporate governance procedures.

Based on the recommendations of the Internal Audit Service, the Company developed an Action Plan for 2025–2026 to improve the Corporate Governance System in its subsidiaries and associates.

EXTERNAL AUDIT

The Company conducts an annual audit of its financial statements by engaging an independent qualified auditor, who, acting as an external party, provides stakeholders with an unbiased opinion on the accuracy of the financial statements and their compliance with IFRS. The provisions on annual audit apply if the audit of annual financial statements is required under the laws of the Republic of Kazakhstan and/or the internal documents of the Company.

The external auditor is selected through a competitive process. The Audit Committee of the Board of Directors plays a key role in this selection by approving the qualification requirements and/or technical specifications developed for the tender.

The external auditor engaged by the Company must not provide consulting services that could compromise their independence. If a candidate for the position of Management Board member, Managing Director, or Chief Accountant of the Company has participated in the Company's mandatory audit as an employee of the external auditor, or was involved in such audit as an employee of the external auditor within the two years preceding their proposed appointment (election), prior approval from the Audit Committee of the Board of Directors is required to avoid any conflict of interest before the candidate can be considered for appointment (election).

Stakeholders must have confidence in the accuracy of the Company's financial statements through the engagement of an external auditor who meets the following criteria: a high level of qualification of the audit firm's specialists; extensive experience and a positive reputation (both in Kazakhstan market and internationally, if necessary); industry-specific expertise; compliance with international auditing standards the legislation of the Republic of Kazakhstan in the field of auditing, and the Code of Ethics for Professional Accountants of the International Federation of Accountants; and the effectiveness in identifying deficiencies and providing recommendations to improve internal controls related to the financial reporting process.

The Company should adopt documents that govern the audit process and the relationship with the external auditor. These include the procedure for selecting the external auditor, the powers and functions of the tender commission, the provision of non-audit consulting services by the audit firm, the rotation of audit firms and senior audit personnel, and the hiring of former employees of the audit firm.

Rotation of partners and senior personnel of the audit firm responsible for the audit of financial statements must take place at least once every five years if the audit firm has been providing audit services to the Company for more than five consecutive years.

The audit of the 2024 financial statements was conducted by Russell Bedford A+ Partners IAC LLP.

CORPORATE ETHICS

On October 12, 2023, the Company approved the Code of Business Ethics and the Corporate Social Responsibility Policy.

According to the Code of Business Ethics, officers and employees of the Company must adhere to the following ethical standards:

- 1) Show respect for the state symbols – the State Flag, the State Emblem, and the State Anthem.
- 2) Show respect for the corporate symbols.
- 3) Observe commonly accepted moral and ethical standards, respect the state language and other languages, as well as the customs and traditions of different peoples.
- 4) Be polite and courteous.
- 5) Demonstrate zero tolerance to indifference and rudeness.
- 6) Support and assist colleagues.
- 7) Always express gratitude for assistance, even if it was not rendered in full.



- 8) Be attentive to others' opinions.
- 9) Ensure consistency between words and actions and keep promises.
- 10) Acknowledge and do not conceal your mistakes.
- 11) Be honest, fair, and humble.
- 12) Ensure that the decisions you make are lawful and fair.
- 13) Oppose any actions that harm the interests of the Company or hinder its effective functioning.
- 14) Improve your professional skills and qualifications to perform your duties effectively and comply with any restrictions and prohibitions established by the laws of the Republic of Kazakhstan.
- 15) By your actions and behavior, avoid giving cause for public criticism, refrain from persecuting others for criticism, and use constructive criticism to address shortcomings and improve your performance.
- 16) Refrain from spreading false information.
- 17) Strictly comply with labor and performance discipline, perform your duties diligently, impartially, and with quality, and use working time efficiently and effectively.
- 18) Observe business etiquette and professional conduct rules.

Officers and employees of the Company are required to strictly adhere to the provisions of the Code and to report any violations thereof.

Officers and employees of the Company, as well as business partners and stakeholders, may contact the Ombudsman on matters related to the requirements of the Code and/or ethical issues that arise in the course of their work, as well as on labor disputes. Reports of violations of anti-corruption requirements or other unlawful actions should be submitted to the ACCS. Violations of the principles of business ethics and rules of conduct by officers are subject to review by the Company's Board of Directors.

If an employee of the Company is found to have violated the approved business ethics standards, the relevant materials are forwarded to the Company's Disciplinary Commission for a decision. The outcome and the decision taken are communicated to the reporting party within five (5) business days from the date the Commission makes its decision.

In 2024, no violations of the Code of Business Ethics or the Code of Corporate Social Responsibility were recorded.

ANTI-CORRUPTION MEASURES

In accordance with the requirements of Law No. 241-V On Combating Corruption of the Republic of Kazakhstan dated November 18, 2015, the Company conducts ongoing efforts to prevent corruption-related offenses (both administrative and criminal).

Pursuant to Article 16(3) of the Combating Corruption Law, the Company, by Resolution of its Board of Directors (Minutes No. 9 dated September 26, 2022), approved the Anti-Corruption Compliance Service Regulation of Almaty SEC JSC and the job description for the head of the Company's ACCS.

The Anti-Corruption Policy of Almaty SEC JSC was also approved by the Board of Directors (Minutes No. 9 dated September 26, 2022).

On December 4, 2023, the Company's ACCS developed and approved the Anti-Corruption Compliance Program of Almaty SEC JSC for 2024 (Minutes No. 11 of the Board of Directors meeting dated December 5, 2023).

According to the approved Anti-Corruption Compliance Program, the following measures were implemented in 2024:

No.	Activity	Status	Result
1	Conducting awareness-raising and training events for the Company's employees on compliance with anti-corruption legislation; organizing events promoting "zero tolerance" toward corruption among employees	Completed	<p>Training sessions were held on the following topics:</p> <ul style="list-style-type: none"> • Key Provisions of the Combating Corruption Law • International Principles of Combating Corruption and Administrative Liability for Corruption Offenses • Anti-Corruption Strategy of the Republic of Kazakhstan • Case Studies on Certain Corruption-Related Offenses. <p>Training protocols were submitted to the Almaty Akimat Project Office for Anti-Corruption Efforts and to the Anti-Corruption Service of Almaty.</p> <p>On November 28, 2024, a test was administered to assess knowledge of anti-corruption legislation. A total of 85% of the Company's employees participated. The test results showed that employees demonstrated a reasonably good understanding of anti-corruption laws.</p> <p>On November 4, 2024, a training session was held at the Company with the participation of S. Balgimbayev, Head of the Information and Awareness Office of the Almaty Anti-Corruption Service. Representatives of the Sole Shareholder, employees of the Company and S&As also attended.</p> <p>During the event, the attendees discussed compliance with anti-corruption legislation and the Code of Ethics, particularly the principles and standards of the Combating Corruption Law of the Republic of Kazakhstan and the Code of Ethics for Public Officials. Special emphasis was placed on the importance of avoiding misconduct and other violations that may result in disciplinary, administrative, or criminal liability.</p> <p>Press releases about the events were published on the Company's corporate website.</p>
2	Monitoring public reports on illegal actions by the Company's employees	Completed	In 2024, the number of reports from citizens regarding illegal actions by the Company's employees submitted through the Company's open communication channels was zero.
3	Analyzing the Company's IRDs for corruption risk factors and development of recommendations for correction of the same	Completed	Seven corruption risks were identified. An action plan was developed to address the identified violations, including the development and revision of specific IRDs. As of December 31, 2024, the violations were partially addressed, with the remaining measures rescheduled for H1 2025. Monitoring results are published in the "Anti-Corruption Compliance Service" section of the Company's corporate website.



No.	Activity	Status	Result
4	Ensuring the operation of a dedicated section on the Company's website about anti-corruption activities	Completed	The Company regularly updates the content of the "Anti-Corruption Compliance Service" section on its corporate website. The section includes information on communication channels through which citizens and clients can report facts or potential cases of corruption, fraud, discrimination, or unethical behavior, as well as submit suggestions to improve anti-corruption measures. The section also features the Company's IRDs related to anti-corruption and ethics, social videos on fighting corruption, information on key events and seminars held at the Company, results of the internal analysis of corruption risks during the reporting year, approved plans to address corruption risks, the Anti-Corruption Compliance Program, and planned lectures on fostering an anti-corruption culture.
5	Ensuring transparency and openness of the Company's website by posting timely information about its activities	Completed	To ensure the transparency and openness of the Company's website, the Press Service approved the Regulation on the Provision and Publication of Information Materials on the corporate website and official accounts of Almaty SEC JSC (Minutes No. 61 of the Management Board dated December 25, 2024). The Regulation was developed in accordance with the legislation of the Republic of Kazakhstan, the Company's Articles of Association, and other IRDs. The requirements of this Regulation apply to all employees involved in interactions with the Press Service. All Company departments are responsible for the timely provision and updating of information and/or internal regulatory documents on the corporate website within their area of competence. Failure to comply with the Regulation is considered a breach of official duties and may result in disciplinary action, financial penalties, or other liability in accordance with the laws of the Republic of Kazakhstan.
6	Ensuring cooperation with law enforcement and supervisory authorities on anti-corruption efforts in the interest of the Company	Completed	The Company's ACCS submits monthly and quarterly reports to the authorized state anti-corruption agency – the Department of the Anti-Corruption Agency for Almaty. Members of the Management Board, who are equated with persons authorized to perform public functions, submit quarterly statements regarding the commission or non-commission of corruption-related offenses, based on data from the "Information Service" database of the Committee on Legal Statistics and Special Records under the General Prosecutor's Office of the Republic of Kazakhstan.
7	Conducting internal investigations based on identified facts and information regarding existing corruption risks and unlawful actions of a corrupt nature	Completed	Based on an office memo from the ACCS Head, in November 2024, the Company's Security Service conducted an internal investigation regarding potential violations of the laws of the Republic of Kazakhstan and the Company's internal regulatory documents. The investigation confirmed breaches of the Company's IRDs and the Domestic Trade Rules approved by Order No. 264 of the Acting Minister of National Economy of the Republic of Kazakhstan dated March 27, 2015, as well as non-compliance with the recommendations of the ACCS by certain employees. The violations were rectified, and the responsible individuals were subject to disciplinary action (detailed information is provided in the analytical report available in the "Anti-Corruption Compliance Service" section of the Company's corporate website).

No.	Activity	Status	Result
8	Conducting anti-corruption monitoring of the activities of the Company's departments (IT Department, Administration and Monitoring Department, Project Management Department), as well as of the subsidiary Almaty Finance LLP	Completed	During the targeted anti-corruption monitoring of Almaty Finance LLP, twenty-one corruption risks were identified. Recommendations were provided for correcting and preventing these risks. Additionally, based on the recommendation of the Almaty Akimat Project Office for Anti-Corruption Efforts, an internal analysis of the Company's corruption risks was conducted, which revealed seven risks. Following the analysis, an action plan was developed to correct or mitigate the identified risks. As part of the plan's implementation, all seven risks were addressed. Confirmation of their correction was submitted to the Almaty Akimat and the Anti-Corruption Service of Almaty, and the information was also published on the Company's official website.

As of today, the submission of a certificate of no criminal record, issued by the Committee for Legal Statistics and Special Records under the General Prosecutor's Office of the Republic of Kazakhstan, is a mandatory requirement for the employment of new staff.

The Company's officers have signed commitments to comply with the restrictions related to holding positions in public service.

There have been no instances of non-compliance by officers with anti-corruption restrictions, nor have any employees been held criminally liable for corruption-related offenses.

No complaints have been received from individuals or legal entities, including through the media, regarding unlawful or corrupt actions by the Company's employees.

The Company does not carry out any permitting or licensing functions.

CONFLICT OF INTEREST MANAGEMENT

To prevent and mitigate situations involving conflicts of interest, the Company has developed the Policy on the Identification and Management of Conflicts of Interest at Almaty SEC JSC, approved by a Resolution of the Company's Board of Directors dated September 26, 2022 (Minutes No. 9).

Each employee and officer of the Company, in the performance of their duties, is required to prioritize the interests of the Company over their personal interests. At the same time, the Company respects the rights of its employees and officers as private individuals and recognizes their right to engage in lawful academic, educational, political, or other activities during their personal time, provided such activities do not impair their ability to fulfill their official duties at the Company.

Maintaining a proper balance between the interests of the Company and the private interests of employees and officers is considered essential to ensuring stable and constructive relations between these parties and the Company.

Employees and officers of the Company are not permitted to participate in or influence (whether directly or indirectly) any decision, process, or transaction in the course of the Company's operations if there is an actual or potential conflict between their personal interests and those of the Company.

The Company and its employees/officers are equally committed to ensuring the absence of conflicts between their respective interests.

The Company establishes a Conflict of Interest Management System based on the following principles:

Mandatory disclosure of any actual or potential conflict of interest, including the appearance of such a conflict.

Case-by-case review, assessment of reputational risks for the Company, and resolution of each conflict of interest.



Confidentiality of the disclosure and resolution process (at the request of the employee or officer).

Maintaining a balance between the interests of the Company and those of the employee or officer when resolving conflicts of interest.

Protection of the employee from retaliation in connection with disclosing a conflict of interest, provided that the conflict was disclosed in a timely manner and resolved (prevented) by the Company.

The responsible department maintains a Conflict of Interest Register in accordance with the form set out in Appendix No. 1 to this Policy (the “Register”) and submits information on conflicts of interest to the Company’s CEO on a quarterly basis. A commission is formed to resolve conflicts of interest, with its composition determined by the CEO.

In each specific case, based on mutual agreement between the Company and the employee and/or officer who disclosed the conflict of interest, the following resolution measures may be applied:

suspension from or termination of participation in discussions and decision-making processes that are or may be affected by the conflict of interest

revision and adjustment of the employee’s and/or officer’s job responsibilities and duties

transfer/re-election of the employee and/or officer to a position that does not involve duties related to the conflict of interest (with the consent of the employee/officer)

renunciation by the employee of the private interest that gives rise to the conflict with the Company’s interests

termination of the employment contract with the employee and/or termination of the contract with the officer.

The Company takes all necessary preventive measures to prevent and avoid situations involving conflicts of interest.

Procedure for disclosure (declaration) of conflicts of interest in the Company

Initial disclosure of a conflict of interest by employees and/or officers upon hiring/appointment to a position

Disclosure of potential conflicts of interest when an employee is appointed to a new position

Annual completion of a declaration form regarding the presence or absence of a conflict of interest by employees and officers

Ad hoc disclosure of information about a conflict of interest as soon as a situation arises that creates a new actual or potential conflict of interest, or when circumstances change

Each employee and officer of the Company is required to read and sign the acknowledgment log confirming their familiarity with the Company’s Policy on the Identification and Management of Conflicts of Interest

The Company’s ACCS regularly conducts thematic anti-corruption monitoring and internal analyses of corruption risks aimed at identifying and correcting conflicts of interest, as well as organizing training events for employees and officers.

In 2024, four training sessions were held to prevent conflicts of interest. During these sessions, the requirements of the Company’s internal regulatory documents on the identification and management of conflicts of interest were explained, and practical conflict-of-interest scenarios were discussed.

Employee participation in these training activities reached 100%.

“KNOW YOUR CUSTOMER” POLICY

In accordance with the requirements of Law No. 191-IV of the Republic of Kazakhstan dated August 28, 2009 On Counteracting the Legalization (Laundering) of Proceeds from Crime and the Financing of Terrorism, the Company voluntarily undertakes the obligation to establish an internal system for anti-money laundering and combating the financing of terrorism (AML/CFT), and to actively participate in the implementation of the state policy in the field of AML/CFT.

On December 28, 2023, the Company’s Management Board approved the AML/CFT Policy.

The purpose of this Policy is to ensure compliance with the legislation of the Republic of Kazakhstan and the recommendations of international organizations in the field of AML/CFT by implementing due diligence measures for applicants (counterparties).

AML/CFT objectives:

- 1) Conduct proper due diligence (identification) of the applicant, their representative, and beneficial owner prior to establishing a business relationship.
- 2) Take the necessary measures to verify the authenticity and reliability of the identity of the applicant, their representative, and beneficial owner based on the documents provided, and to prohibit any transactions prior to confirming the applicant’s identity.
- 3) Prohibit the acceptance of transactions from/to anonymous owners.
- 4) Refuse to establish business relationships with applicants (counterparties) who do not take adequate measures for anti-money laundering or who do not have a physical presence in the countries in which they have been incorporated.
- 5) Monitor the counterparty’s activities for compliance with the purposes declared in the agreements, contracts, and other documents concluded or to be concluded between the counterparty and the Company.

Due diligence of applicants (counterparties) and their beneficial owners is performed by the Company’s Security Service and the unit initiating the business relationship with the counterparty, within their respective scope of authority, before any business relationship is established (i.e., prior to making a transaction). These units include the Project Management Department and the Food Supply and Trade Department.

At the stage of application submission by applicants (counterparties), the Project Management Department and the Food Supply and Trade Department ensure that applicants complete the “Know Your Customer” questionnaire, which is then forwarded to the Security Service for verification along with a package of documents subject to review as part of the application evaluation and approval process.

If a counterparty is included in the List of Entities and Individuals Associated with the Financing of Terrorism and Extremism compiled by the authorized body, the Company takes measures to terminate its business relationship with such counterparty.

The Company does not establish business relationships with applicants (counterparties) if they or their beneficial owners are registered in foreign countries that fall under any of the following categories:

- 1) Countries (territories) included in the list of jurisdictions that do not comply or insufficiently comply with FATF recommendations, as compiled by the authorized financial monitoring agency in accordance with the AML/CFT Law.
- 2) Countries subject to international sanctions (embargoes) imposed by UN Security Council resolutions.
- 3) Jurisdictions included in the List of Offshore Zones in accordance with Order No. 52 of the Acting Minister of Finance of the Republic of Kazakhstan dated February 10, 2010 and Resolution No. 145 of the Management Board of the Agency of the Republic of Kazakhstan for the Regulation and Supervision of the Financial Market and Financial Organizations dated October 2, 2008 “On the Approval of the List of Offshore Zones for the Purposes of Banking and Insurance Activities, Activities of Professional Participants of the Securities Market and Other Licensed Activities in the Securities Market, Activities of Accumulative Pension Funds and Joint-Stock Investment Funds.”



As a result of the applicant (counterparty) due diligence, no entities or individuals associated with the financing of terrorism or extremism and registered in foreign countries were identified.

PROCUREMENT MANAGEMENT

The Company carries out procurement procedures for goods, works, and services in accordance with the Law of the Republic of Kazakhstan On Procurement by Certain Entities of the Quasi-Public Sector and the Rules for Procurement by Certain Entities of the Quasi-Public Sector, excluding the National Welfare Fund and its affiliates, approved by Order No. 1253 of the Minister of Finance of the Republic of Kazakhstan dated November 30, 2021 (the "Rules").

Internal processes related to the organization and conduct of procurement of goods, works, and services are governed by the Regulation on the Organization and Conduct of Procurement of Goods, Works, and Services of Almaty SEC JSC, approved by the Resolution of the Company's Management Board (Minutes No. 56 dated November 29, 2023).

In accordance with Order No. 1231 of the Minister of Finance of the Republic of Kazakhstan dated November 29, 2021 On the Designation of Web Portals for Procurement by Certain Entities of the Quasi-Public Sector and Operators of Electronic Procurement Information Systems, Excluding the National Welfare Fund and Its Entities, the Company carries out its procurement procedures via the procurement web portal – Eurasian Electronic Portal: eep.mitwork.kz.

In compliance with the Law of the Republic of Kazakhstan On Procurement by Certain Entities of the Quasi-Public Sector and in order to ensure oversight of the Company's procurement activities, a Centralized Procurement Control Service (CPCS) reporting to the Company's Board of Directors was established in the organizational structure.

The primary function of the CPCS is to monitor the Company's compliance with the legal and regulatory acts of the Republic of Kazakhstan in the area of procurement. To enhance efficiency, the CPCS is authorized to suspend or cancel procurement procedures in the event of any identified violations.

As a result of procurement activities in 2024, a total of 124 contracts were concluded, including:

- 56 contracts (45%) through bidding (request for quote, bids);
- 50 contracts (40%) through single-source procurement due to failed bidding procedures;
- 18 contracts (20%) through single-source procurement by direct contract award.

TAX POLICY

On January 27, 2023, the Company's Board of Directors approved the Tax Accounting Policy.

The Tax Accounting Policy was developed in accordance with the legislation of the Republic of Kazakhstan, including the following:

Code No. 120-VI of the Republic of Kazakhstan dated December 25, 2017 On Taxes and Other Mandatory Payments to the Budget enacted by Law No. 121-VI of the Republic of Kazakhstan dated December 25, 2017 On the Enactment of the Code of the Republic of Kazakhstan on Taxes and Other Mandatory Payments to the Budget;

Order No. 388 of the Minister of Finance of the Republic of Kazakhstan dated March 19, 2018 On Approval of the Rules for Preparation of Tax Register Forms;

Law No. 234-III of the Republic of Kazakhstan dated February 28, 2007 On Accounting and Financial Reporting;

Order No. 241 of the Minister of Finance of the Republic of Kazakhstan dated March 31, 2015 On Approval of the Rules for Keeping Accounting Records;

International Financial Reporting Standards (IFRS);

International treaties ratified by the Republic of Kazakhstan and applicable to JSC activities;

As well as the Company's Accounting Policy and other internal policies and documents regulating the Company's operations, provided their provisions do not contradict tax legislation.

The Tax Policy is intended to ensure:

Compliance with the fundamental principles of taxation, including obligation, certainty, fairness, unity of the tax system, and transparency of the tax legislation of the Republic of Kazakhstan;

Adherence to tax accounting requirements established by tax legislation;

Consistency in methodology for organizing and maintaining tax accounting across the Company as a whole and by lines of business for which the Tax Code requires separate accounting;

Accurate, complete, and timely calculation and payment of taxes and other mandatory payments to the state budget.

According to Common Classifier of Economic Activity 03-2007 of the Civil Code of the Republic of Kazakhstan approved by Order No. 683-od of the Committee for Technical Regulation and Metrology of the Ministry of Trade and Integration of the Republic of Kazakhstan dated December 14, 2007 (CCEA), the Company carries out its activities under the primary CCEA code 70221 – Business and management consultancy activities. Its additional activities include 64200 – Activities of holding companies, and 68203 – Lease and operation of trading markets.

The Company's tax accounting is carried out by distributing responsibilities among the Accounting Department staff for calculating specific types of taxes or preparing the information necessary to determine tax liabilities for certain types of taxes. The Company accounts for taxes, social payments, and other mandatory payments to the budget on a monthly basis.

The Company maintains its tax accounting using the accrual method in accordance with the procedures and conditions established by the Tax Code. Under the accrual method, the Company recognizes income and expenses at the time they are incurred, regardless of when the corresponding cash or cash equivalents are received or paid.

The Company maintains its tax records in the national currency – tenge (KZT). In accordance with the Tax Code, foreign exchange differences for tax purposes are accounted for in accordance with IFRS and the legislation of the Republic of Kazakhstan on accounting and financial reporting, using the market exchange rate. Foreign currency transactions are converted into KZT using the market exchange rate on the transaction (payment) date for tax purposes.

The Chairperson and the Chief Accountant are responsible for the completeness and accuracy of tax accounting, as well as for the proper payment of taxes and other mandatory payments to the state budget.

In 2024, there were no violations of tax legislation or penalties imposed.

COMPLIANCE WITH LEGISLATION

The Company does not permit any cases of gross violations of the law.

Its activities are carried out in accordance with applicable legislation, and clarifications are requested from the authorized bodies when necessary.

The Company's operations are reviewed by bodies and officers strictly within the scope of competence established by the laws of the Republic of Kazakhstan, the Company's Articles of Association, and IRDs.

GLOSSARY



Almaty Finance	– Almaty Finance LLP
AFD	– The Agence Française de Développement (French Development Agency)
CEO	– Chief Executive Officer
ESG	– Environmental, Social, Governance
GRI	– Global Reporting Initiative
PR	– Public Relations
S&P CSA	– The S&P Global Corporate Sustainability Assessment (CSA)
ACCS	– Anti-Corruption Compliance Service
JSC	– Joint-Stock Company
OHS	– Occupational Health and Safety
IRD	– Internal Regulatory Document
S&A	– Subsidiaries and Associates
DO	– Department of Operations
PMD	– Project Management Department
DSCD	– Department of Strategy and Corporate Development
HRMD	– Human Resources Management Department
UoM	– Unit of Measurement
RC	– Residential Complex
CJSC	– Closed Joint-Stock Company
AIZ	– Almaty Industrial Zone (understood as a designated area for the placement of large industrial and manufacturing business projects)
kW	– kilowatt
MPI	– Municipal Public Institution
KPI	– Key Performance Indicators
ERMS	– Enterprise Risk Management System
LEA	– Local Executive Authority
m²	– square meter
M	– million

B	– billion
SIP	– Small Industrial Park
SME	– Small and Medium-Sized Enterprises
IFRS	– International Financial Reporting Standards
Almaty MFO	– Almaty Microfinance Organization LLP
NIN	– National Identification Number
Company	– Almaty Social-Entrepreneurial Corporation JSC
CCEA	– Common Classifier of Economic Activity
CCC	– Capital Construction Company of the Akimat of Almaty City LLP
AML/CFT	– Anti-Money Laundering and Combating the Financing of Terrorism
SS	– Security Service
BoD	– Board of Directors
SSFP	– Socially Significant Food Products
CGS	– Corporate Governance System
OU	– Organizational Unit
SEC	– Social-Entrepreneurial Corporation
SVG	– Socially Vulnerable Groups
etc.	– and so on
T	– trillion
LLP	– Limited Liability Partnership
AIZ LLP	– Almaty Industrial Zone LLP (understood as the company managing the industrial zone of the city of Almaty; a subsidiary of the Company)
AB	– Authorized Body
FATF	– Financial Action Task Force
UN SDG	– United Nations Sustainable Development Goals
CPCS	– Centralized Procurement Control Service
ppl	– people
EVCS	– Electric Vehicle Charging Station



APPENDICES





APPENDIX 1

ABOUT THE REPORT

Almaty SEC JSC (the “Company”) has prepared the 2024 Annual Report (the “Report”).

This Report provides all stakeholders with a comprehensive overview of the Company’s performance and achievements from January 1 to December 31, 2024.

The financial statements of the Company for 2024 referred to in this Report, as of December 31, 2024, were certified by the independent auditor Russell Bedford A+ Partners International Audit Company LLP.

The Report is available in Kazakh, Russian, and English, and the electronic version is published on the Company’s corporate website (spkalmaty.kz).

This Report has not been externally verified.

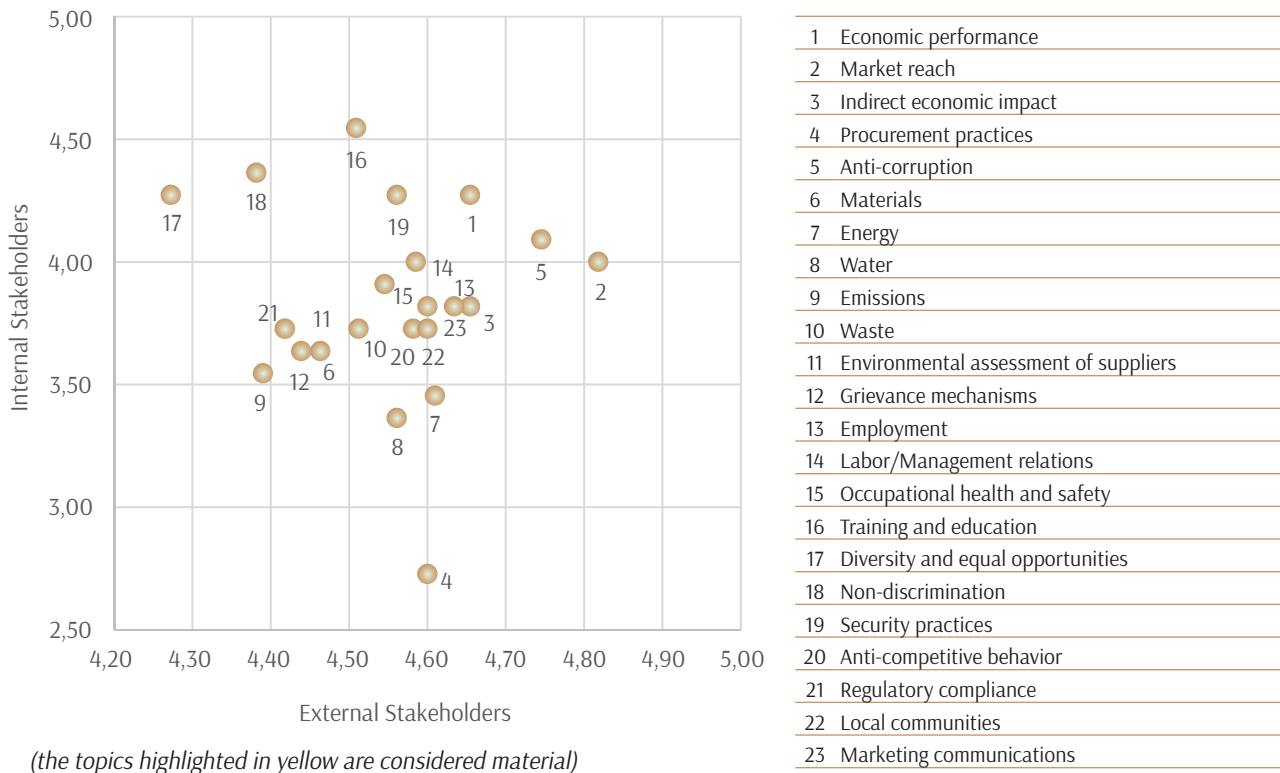
The reporting cycle is annual.

DETERMINING THE CONTENT OF THE REPORT

The structure of the Report includes a description of the Company’s activities in the following areas: the Company’s profile, strategy, key areas of activity, an overview of the main regional socio-economic indicators, KPI performance and financial results, sustainable development, and corporate governance.

To assess materiality, a questionnaire covering approximately 23 material topics was distributed to stakeholders. Both internal and external parties were surveyed to identify the topics they considered most significant.

The summarized results of the survey were incorporated into the Materiality Matrix. The topics appearing in the upper right-hand corner of the Matrix were deemed most material and are reflected in this Report.



APPENDIX 2

GRI STANDARDS TABLE

GRI Indicator	Disclosure	Report Section / Comments
GRI 101: Foundation		
GRI 102: General Disclosures		
Organizational Profile		
102-1	Name of the organization	Company Profile, p.16
102-2	Activities, brands, products, and services	Mission, Vision, Strategy, p.20
102-3	Location of headquarters	Contacts, p.189
102-4	Location of operations	Company Profile, p.16
102-5	Ownership and legal form	Company Profile, p.16
102-6	Markets served	Company Profile, pp.16-17 Strategic Focus Areas, p.20 Key Performance Indicators Over Time, p.24 Investment Activities, pp.28-35 Financial Support, pp.38-40 Infrastructure Support, pp.42-45 Dilapidated Housing Renovation, pp.48-50 Stabilization of Prices for SSFPs, pp.52-55
102-7	Scale of the organization	Company Profile, pp.16-17 Key Performance Indicators Over Time, p.24 Investment Activities, pp.28-35 Financial Support, pp.38-40 Infrastructure Support, pp.42-45 Dilapidated Housing Renovation, pp.48-50 Stabilization of Prices for SSFPs, pp.52-55
102-8	Information on employees and other workers	Social Responsibility, pp.70-72
102-9	Supply chain	Company’s Business Model, pp.18-19
102-10	Significant changes to the organization and its supply chain	Key Events, pp.8-14 Update of KPIs and Their Target Values for 2024–2025 under the Company’s Development Program for 2023–2025, p.20
102-11	Precautionary principle or approach	Sustainable Development, p.62 Occupational Health and Safety, p.76 Environmental Dimension, pp.76-77 Corporate Risk Management System, pp.106-111
102-12	External initiatives	Key Events, pp.8-14 Contribution of the Company to Achieving the UN SDGs, pp.64-67
102-13	Membership of associations	The Company is a member of the Atameken National Chamber of Entrepreneurs of the Republic of Kazakhstan. The Company has joined the largest UN initiative in the field of corporate responsibility and sustainable development by signing the Global Compact and paying an annual fee of USD 650.



GRI Indicator	Disclosure	Report Section / Comments
Strategy		
102-14	Statement from senior decision-maker	Message from the Chairperson of the Management Board, p.5
Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	Corporate Culture Development, p.74 Corporate Ethics, pp.113-114
Governance		
102-18	Governance structure	Corporate Governance, pp.80-105
Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder Engagement, p.67
102-41	Collective bargaining agreements	The Company does not practice the conclusion of collective bargaining agreements
102-42	Identifying and selecting stakeholders	The Company has approved a Stakeholder Map that outlines the process of stakeholder assessment and analysis, from identification and evaluation of influence and significance to the development of tactical stakeholder management actions. The Stakeholder Map is publicly available on the corporate website at www.spkalmaty.kz .
102-44	Key topics and concerns raised	Stakeholder Engagement, p.67-70
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Appendix 4
102-46	Defining report content and topic boundaries	Appendix 1
102-47	List of material topics	Appendix 1
102-48	Restatements of information	Appendix 4
102-49	Changes in reporting	-
102-50	Reporting period	Appendix 1
102-51	Date of most recent report	August 2023
102-52	Reporting cycle	Appendix 1
102-53	Contact point for questions regarding the Report	Contacts
102-54	Claims of reporting in accordance with the GRI Standards	This Report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	Appendix 2
102-56	External assurance	Appendix 1

GRI Indicator	Disclosure	Report Section / Comments
GRI 103: Management Approach		
103-1	Materiality and boundaries	Appendix 1; Stakeholder Engagement, p. 41-44
103-2	Management approach	Company Profile, pp.16-17 Mission, Vision, Strategy, p. 20 Key Performance Indicators Over Time, p.24 2024 KPI Performance Report, p.26
103-3	Evaluation of the management approach	Corporate Governance, pp.80-83
Most Material Topics		
GRI 200: Economic Disclosures GRI 201: Economic Performance		
103-2	Management approach	Company Profile, pp.16-17 Mission, Vision, Strategy, p.20 Key Performance Indicators Over Time, p.24 2024 KPI Performance Report, p.26
201-1	Direct economic value generated and distributed	Company's Figures 2024, pp.6-7 Key Performance Indicators Over Time, p.24 2024 KPI Performance Report, p.26 Investment Activities, pp.28-29 Financial Support, pp.38-40 Infrastructure Support, pp.42-45 Dilapidated Housing Renovation, pp.48-50 Stabilization of Prices for SSFPs, pp.52-55 Key Financial Indicators, pp.58-59 Appendix 4
GRI 203: Indirect Economic Impacts		
103-2	Management approach	Company's Figures 2024, pp.6-7 Key Performance Indicators Over Time, p.24 Message from the Chairperson of the Management Board, p.5 Key Events, pp.8-14
203-1	Infrastructure investments and services supported	Investment Activities, pp.28-29 Social Projects of the Company, p.34-35 Infrastructure Support, pp.42-45 Dilapidated Housing Renovation, pp.48-50 Stabilization of Prices for SSFPs, pp.52-55
203-2	Significant indirect economic impacts	Contribution to Achievement of UN SDGs, pp. 64-67
GRI 205: Anti-corruption		
103-2	Management approach	Anti-Corruption Measures, pp.114-117
205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption Measures, pp.114-117
205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption Measures, p.114. In 2024, there were no cases of non-compliance with anti-corruption restrictions by officers or criminal prosecution of employees for committing corruption-related offenses.



GRI Indicator	Disclosure	Report Section / Comments
GRI 300: Environmental Disclosures		
GRI 307: Environmental Compliance		
307-1	Non-compliance with environmental laws and regulations	From 2021 to 2024, no penalties were imposed by the authorized environmental protection authority as a result of inspections.
GRI 400: Social Enclosures		
GRI 401: Employment		
103-2	Management approach	Social Responsibility, pp.70-72
401-1	New employee hires and employee turnover broken down by age, gender and region	Social Responsibility, pp.70-72
GRI 402: Labor/Management Relations		
103-2	Management approach	Social Responsibility, pp.70-72
402-1	Minimum notice periods regarding operational changes and whether they are determined or not in a collective bargaining agreement	N/A
GRI 403: Occupational Health and Safety		
103-2	Management approach	Social Responsibility, pp.70-72
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities broken down by region and gender	In 2024, no injuries, accidents, or other incidents were reported within the Company.
GRI 404: Training and Education		
103-2	Management approach	Social Responsibility, pp.70-72
404-1	Average hours of training per year per employee broken down by gender and category	Social Responsibility, pp.70-72
404-3	Percentage of employees receiving regular performance and career development reviews broken down by gender and category	Social Responsibility, pp.70-72
GRI 405: Diversity and Equal Opportunity		
103-2	Management approach	Sustainable Development, pp.62-63
405-1	Diversity of governance bodies and employees broken down by gender, age, minority group and other signs of diversity	Social Responsibility, pp.70-72

REPORT ON COMPLIANCE WITH THE PRINCIPLES OF THE CORPORATE GOVERNANCE CODE

In accordance with the Corporate Governance Code, the fundamental principles of corporate governance of the Company are as follows:

1. Separation of powers
2. Protection of the rights and interests of the Sole Shareholder
3. Effective management of the Company by the Board of Directors and the Management Board
4. Sustainable development
5. Risk management, internal control, and audit
6. Regulation of corporate conflicts and conflicts of interest
7. Transparency and objectivity in the disclosure of information on the Company's activities.

Information on compliance with each of these principles is provided below.

No.	Principle and Provisions of the CGC	Compliance Status	Actions Taken to Ensure Compliance	Responsible Organizational Unit
1	2	3	4	5
1	Separation of powers	Compliant (with recommendation)	<p>The governing bodies of the Company are as follows:</p> <ol style="list-style-type: none">1. Supreme body – Sole Shareholder – Department of Entrepreneurship and Investment of Almaty MPI2. Governing body – Board of Directors;3. Executive body – Management Board. <p>The powers of the Company's bodies are regulated by the Joint-Stock Company Law of the Republic of Kazakhstan, the Company's Articles of Association, and internal regulations. The strategic development directions, goals, and objectives of the Company are reflected in the Development Program for 2023–2025, including the updated KPIs and their target values for 2024–2025 (Resolution of the Board of Directors dated August 16, 2024, Minutes No. 6).</p> <p>To evaluate the effectiveness of the Company's activities, both corporate and individual KPIs have been approved for the Company and members of the Management Board.</p> <p>In this regard, the following activities were carried out in 2024:</p> <ul style="list-style-type: none">• The 2023 KPI Report under the Development Program of Almaty SEC JSC for 2023–2025 was reviewed and approved (Resolution of the Board of Directors dated June 27, 2024, Minutes No. 5).• Performance of the KPI Scorecards of the Chairperson and members of the Management Board for 2023 was reviewed and approved (Resolution of the Board of Directors dated August 16, 2024, Minutes No. 6). <p>Recommendation:</p> <p>The Sole Shareholder, through its representatives on the Board of Directors (or via written notice), should communicate its strategic vision and expectations regarding the Company's KPIs (Section 31 of the CGC).</p>	Corporate Secretary



1	2	3	4	5
2	Protection of the rights and interests of the Sole Shareholder	Compliant (with recommendation)	<p>The Sole Shareholder of the Company is Department of Entrepreneurship and Investment of Almaty Municipal Public Institution.</p> <p>The fundamental principle of the Company's corporate governance is the protection of the rights and interests of the Sole Shareholder.</p> <p>In 2024, the Company ensured the rights of the Sole Shareholder, including:</p> <ol style="list-style-type: none"> 1. The right to participate in the management of the Company in accordance with the legislation of the Republic of Kazakhstan and the Articles of Association. 2. A resolution was adopted not to pay dividends on the common shares of Almaty SEC JSC for 2023 due to the payment of Corporate Income Tax to the local budget in the amount of KZT 9,758,961,000 and the existence of an uncovered loss of Almaty SEC JSC in the amount of KZT (-1,412,326,000). 3. The right to receive information about the Company's activities, including access to the Company's financial statements, in accordance with the procedures set out in the Articles of Association. <p>The most significant resolutions of the Sole Shareholder include:</p> <ol style="list-style-type: none"> 1. Approval of the Corporate Governance Code of Industrial Zone Almaty LLP, Resolution No. 8 dated April 2, 2024. 2. Early termination of the powers of the Member of the Board of Directors, A. Shamshin, effective April 15, 2024, Resolution No. 10 dated April 15, 2024. 3. Acknowledgement of the information report on the implementation of the Development Plan of Almaty SEC JSC and its subsidiaries and associates for the 12 months of 2023, Resolution No. 15 dated April 30, 2024. 4. Election of K. Balykbayev as a member of the Board of Directors of the Company effective May 2, 2024, Resolution No. 16 dated May 2, 2024. 5. Appointment of the audit firm to conduct audits of the Company's financial statements for 2023, 2024, and 2025, Resolution No. 18 dated June 10, 2024. 6. Approval of amendments to the Company's Articles of Association, Resolution No. 20 dated June 20, 2024. 7. Early termination of the powers of the member of the Board of Directors, B. Soltanbayev, effective June 25, 2024, Resolution No. 22 dated June 25, 2024. 8. Election of A. Satybaldiyev as a member of the Board of Directors, Resolution No. 29 dated July 10, 2024. 9. Approval of amendments to the Articles of Association of Capital Construction Company of the Akimat of Almaty City LLP, Resolution No. 30 dated July 12, 2024. 10. Approval of the consolidated and separate audited financial statements of the Company for 2023, Resolution No. 33 dated August 27, 2024. 11. Approval of the consolidated and separate audited financial statements of Almaty Finance LLP for 2023, Resolution No. 34 dated August 27, 2024. 12. Approval of the separate audited financial statements of Capital Construction Company of the Akimat of Almaty City LLP for 2023, Resolution No. 35 dated August 27, 2024. 13. Approval of the separate audited financial statements of Almaty Industrial Zone LLP for 2023, Resolution No. 36 dated August 27, 2024. 14. Approval of the Company's 2023 Annual Report, Resolution No. 39 dated September 19, 2024. <p>Recommendation:</p> <p>The Sole Shareholder may hold meetings with members of the Board of Directors and the Management Board to summarize annual results and make decisions within its competence (no such meetings were held in 2024) (Section 41 of the CGC).</p>	Corporate Secretary

1	2	3	4	5
			<p>The purpose of the Dividend Policy is to ensure a balance between the interests of the Company and the Sole Shareholder, as well as to maintain predictability and transparency in determining the amount of dividends.</p> <p>The Dividend Policy establishes the framework for the Company's relations with the Sole Shareholder regarding dividend payments on the state-owned share package and outlines the procedure for distributing the Company's net income.</p> <p>Dividends on the Company's common shares are paid based on the year's results after the financial statements are audited and a resolution is adopted by the Sole Shareholder.</p> <p>Dividend payment is subject to the Company generating net income for the relevant fiscal year, confirmed by independent auditors in accordance with the procedure established by law.</p> <p>Resolution No. 33 dated August 27, 2024, of the Sole Shareholder states:</p> <p>Not to pay dividends on the common shares of Almaty SEC JSC for 2023, due to the payment of Corporate Income Tax to the local budget in the amount of KZT 9,758,961,000 and the existence of an uncovered loss of Almaty SEC JSC in the amount of KZT (-1,412,326,000). Furthermore, the net profit of the Company Group includes non-monetary items such as foreign exchange gains, reversal of impairment losses, and gains from the sale of land plots under the Eastern Gate Project, with payments expected in future periods.</p>	
3	Effective management of the Company by the Board of Directors and the Management Board	Compliant (with recommendation)	<p>The activities of the Board of Directors are governed by the legislation of the Republic of Kazakhstan, the Articles of Association, and the Regulation on the Board of Directors and its Committees.</p> <p>In 2024, the Board of Directors reviewed and adopted resolutions on matters within its exclusive competence as defined by the Articles of Association.</p> <p>As of the end of 2024, the Board of Directors consisted of seven members, including:</p> <ul style="list-style-type: none"> • Yerbolat Dossayev, Chairperson of the Board of Directors; • Alisher Abdykadyrov, Member of the Board of Directors; • Alisher Satybaldiyev, Member of the Board of Directors; • Kanat Balykbayev, Member of the Board of Directors, Chairperson of the Management Board; • Abay Sarkulov, Independent Director; • Damir Suyentayev, Independent Director; • Murat Khudaibergenov, Independent Director. <p>The activities of the Board of Directors were governed by the Board of Directors Regulation, which defines the procedures for its formation, status, composition, rights, duties, and responsibilities of its members, as well as the rules for its operation, convening and holding meetings, and adopting and formalizing resolutions.</p> <p>Each year, the Work Plan of the Board of Directors and its Committees is approved in accordance with established procedures.</p> <p>In 2024, the Board of Directors held 10 meetings, including 6 in person and 4 in absentia. A total of 44 matters were considered. All resolutions adopted by the Board of Directors were implemented.</p> <p>In 2024, three Committees operated under the Board of Directors:</p> <ul style="list-style-type: none"> • The Audit Committee; • The Strategic and Budget Planning Committee; • The Nominations, Remuneration and Social Affairs Committee. 	Corporate Secretary, Management Board Secretary



1	2	3	4	5
			<p>The activities of these Committees are regulated by the relevant Regulations approved by the Board of Directors. In line with best practices in corporate governance, the Committees are chaired by Independent Directors:</p> <ul style="list-style-type: none"> • A. Sarkulov, Chairperson of the Strategic and Budget Planning Committee • A. Sarkulov, Chairperson of the Audit Committee • D. Suyentayev, Chairperson of the Nominations, Remuneration and Social Affairs Committee. <p>The Strategic and Budget Planning Committee is a standing advisory and consultative body of the Company's Board of Directors that provides recommendations on defining strategic objectives, priority areas of activity, strategic and budget planning, and evaluating the Company's long-term performance.</p> <p>In 2024, the Committee held 6 meetings at which 14 matters were considered.</p> <p>The Audit Committee is a standing advisory and consultative body of the Company's Board of Directors that provides recommendations on establishing an effective control system over the Company's financial and economic activities (including the completeness and reliability of financial reporting), monitoring the reliability and effectiveness of internal control and risk management systems, overseeing compliance with corporate governance documents, and ensuring the independence of external and internal audits.</p> <p>In 2024, the Committee held 6 meetings at which 27 matters were considered.</p> <p>The Nominations, Remuneration and Social Affairs Committee is a standing advisory and consultative body of the Company's Board of Directors that provides recommendations on human resources policy, as well as nominations, remuneration, and social matters within the competence of the Board of Directors. It also monitors the implementation of the relevant resolutions adopted by the Board of Directors.</p> <p>In 2024, the Committee held 8 meetings during which 19 matters were considered.</p> <p>Members of the Board of Directors, with the exception of Independent Directors, perform their duties on a pro bono basis. The procedure for remunerating Independent Directors is determined in accordance with the resolution of the Company's Sole Shareholder.</p> <p>The Management Board of the Company, as the collective executive body, is responsible for the day-to-day operations of the Company and ensures the implementation of resolutions adopted by the Sole Shareholder and the Board of Directors.</p> <p>The Management Board is accountable to the Board of Directors and is responsible for fulfilling the duties assigned.</p> <p>The rights and obligations of members of the Management Board are defined by the Articles of Association, the Management Board Regulation, and other internal regulatory documents of the Company.</p> <p>The Management Board Regulation defines the procedure for the formation and operation of the Management Board, the rights and obligations of its members, the process for adopting and formalizing resolutions, as well as the procedures for monitoring their implementation.</p> <p>As of the end of 2024, the Management Board consisted of 4 members:</p> <ul style="list-style-type: none"> • K. Balykbayev, Chairperson of the Management Board • Y. Aldazharov, Deputy Chairperson of the Management Board • A. Gabdullin, Deputy Chairperson of the Management Board • Z. Kassenova, Deputy Chairperson of the Management Board. <p>The Management Board meets as necessary, but not less than once a month. In 2024, a total of 236 meetings were held, during which various resolutions on the Company's operational management were adopted.</p>	

1	2	3	4	5
			<p>Recommendation:</p> <ul style="list-style-type: none"> – Each year, the Chairperson of the Board of Directors provides the Sole Shareholder with the following: – The Report by the Board of Directors, which outlines the results of the activities of the Board of Directors and its Committees for the reporting period, actions taken by the Board of Directors to ensure the profitability of the Company's financial and economic activities and its sustainable development, key risk factors, significant events, matters considered, number of meetings held, meeting formats, attendance, and other important information. This report is included as part of the Company's Annual Report. – The Report on the Implementation of the Sole Shareholder's Expectations (Section 61 of the CGC). – Chairperson of the Committees prepare reports on their respective activities and present them to the Board of Directors at a dedicated meeting summarizing the year's results. The Board of Directors may, at any time throughout the year, request that the Committees submit a current progress report within deadlines set by the Board of Directors (Section 97 of the CGC). – The selection of candidates for vacant positions within the Company is conducted through open and transparent competitive procedures. Career advancement and financial incentives for employees are based on the principles of meritocracy, taking into account their knowledge, competencies, work experience, and achievement of set goals. The Company maintains a talent pool for succession planning, from which future appointments to managerial positions may be made. Employees undergo annual performance evaluations (Section 172 of the CGC). 	
4	Sustainable development	Compliant	<p>The Company pays particular attention to the process of corporate ESG transformation, including efforts to strengthen internal competencies across various areas of sustainable development.</p> <p>The Company adheres to the following principles of sustainable development: openness, accountability, transparency, ethical behavior, respect for stakeholder interests, rule of law, human rights compliance, zero tolerance for corruption, and prevention of conflicts of interest.</p> <p>The Company has developed the following IRDs in the field of sustainable development and corporate governance:</p> <ul style="list-style-type: none"> • Corporate Governance Code • Code of Business Ethics • Corporate Social Responsibility Policy • Stakeholder Map • Sustainability Policy of Almaty SEC JSC • Risk Management Policy • Information Security Policy • Anti-Corruption Policy • HR Policy • Tax Accounting Policy • Policy on the Identification and Management of Conflicts of Interest at Almaty SEC JSC • Anti-Money Laundering and Countering the Financing of Terrorism Policy (AML/CFT) • And many others. <p>The Company has joined the United Nations' largest initiative – the Global Compact – and is actively implementing international standards while adhering to shared corporate values and principles in the field of sustainable development. Participation in this initiative entails significant responsibility.</p> <p>In 2023, an independent assessment of the Company's Corporate Governance System was conducted, resulting in a score of 77.66%.</p>	Department of Strategy and Corporate Development



1	2	3	4	5
			<p>In 2023, the international rating agency S&P Global Corporate Sustainability Assessment evaluated the Company's sustainability performance for the first time and assigned an ESG rating of 9%. In 2024, the Company improved its ESG rating to 20%, demonstrating a rapid pace of implementing sustainability principles and relevant activities.</p> <p>Each year, the Company develops an Action Plan for Sustainable Development. The results of the Plan's implementation are reported annually to the management.</p> <p>The Company publishes information on its sustainability activities on its corporate website: https://spkalmaty.kz/ (see the "Sustainable Development" section).</p> <p>To raise employee awareness and demonstrate the Company's commitment to the Sustainable Development Goals (SDGs), an information board featuring the 17 global SDGs was installed.</p> <p>The Company's employees take annual sustainability training. In 2024, one-third of the office staff, including senior executives, participated in corporate training.</p> <p>In 2024, an independent organization was engaged to assess the Company's carbon footprint, the Climate Report was prepared, and the recommendations were taken into consideration.</p> <p>In 2025, the Company plans to develop an Environmental Policy, a Gender Policy, and a Human Rights Policy.</p>	
5	Risk management, internal control and audit	Compliant	<p>The Resolution of the Company's Board of Directors dated October 9, 2024 (Minutes No. 7) approved the Risk Management Policy of Almaty SEC JSC.</p> <p>The Resolution of the Company's Board of Directors dated January 27, 2023 (Minutes No. 1) approved the Rules for Identification of Business Processes, Inherent Risks, and Key Risk Indicators of Almaty SEC JSC.</p> <p>The Resolution of the Company's Management Board dated September 20, 2023 (Minutes No. 46) approved the Regulation on Operational Risk Management and the Realized Risk Database of Almaty SEC JSC.</p> <p>The Resolution of the Company's Board of Directors dated June 27, 2024 (Minutes No. 5) approved the Risk Register, Risk Management Action Plan, and Risk Map for 2024.</p> <p>The Resolution of the Company's Board of Directors dated June 27, 2024 (Minutes No. 5) approved the Key Risk Indicators Sheet of Almaty SEC JSC for 2024.</p> <p>The Company's organizational structure includes a dedicated unit responsible for risk management.</p> <p>Within the framework of the approved IRDs, the Company conducts ongoing activities to identify, monitor, assess, and manage inherent risks. Each organizational unit has designated and approved risk coordinators. A realized risk database is maintained on a permanent basis. For each identified and registered risk, a risk mitigation action plan is developed and approved. Realized risk events and the corresponding risk management measures are reported on a quarterly basis in the Risk Report, which is reviewed and approved by the Company's Board of Directors.</p> <p>Risk Management and Internal Control</p> <p>The Board of Directors approves internal documents that define the principles and approaches to organizing the Risk Management and Internal Control Systems based on the objectives of the system.</p> <p>Internal Audit</p> <p>The Internal Audit Service operates in accordance with a risk-based (annual) Audit Plan approved by the Board of Directors. The results of Audit Reports, key findings, and relevant recommendations are submitted to the Board of Directors for review at least semi-annually.</p>	Risk Management Department, IAS

1	2	3	4	5
6	Regulation of corporate conflicts and conflicts of interest	Compliant	<p>Regulation of Corporate Conflicts</p> <p>Corporate conflicts within the Company are regulated by the Code of Business Ethics of Almaty SEC JSC, approved by the Company's Board of Directors on October 12, 2023 (Minutes No. 10). No corporate conflicts or complaints were reported in 2024.</p> <p>Regulation of Conflicts of Interest</p> <p>The regulation of conflicts of interest in the Company is governed by internal regulatory documents, including the Policy on the Identification and Management of Conflicts of Interest (the "Policy"), approved by the Resolution of the Board of Directors of Almaty SEC JSC (Minutes No. 9 dated September 26, 2022).</p> <p>To prevent, identify, and manage conflicts of interest, employees and members of the Management Board of the Company are required to:</p> <ul style="list-style-type: none"> submit an Initial Disclosure of Potential Conflict of Interest (Appendix No. 2 to the Policy) complete and submit a Statement of Absence of Conflict of Interest (Appendix No. 3 to the Policy). <p>Ongoing monitoring is conducted to ensure compliance with these requirements, including the collection and updating of relevant statements and regular awareness-raising among employees regarding the importance of maintaining independence, objectivity, and prioritizing the interests of the Company.</p> <p>The implementation of the Policy is overseen by the Anti-Corruption Compliance Service in close cooperation with the Company's HR and Legal Departments.</p>	IAS, ACCS
7	Transparency and objectivity in the disclosure of information on the Company's activities	Compliant	<p>To safeguard the interests of stakeholders, the Company ensures timely and accurate disclosure of information as required by the legislation of the Republic of Kazakhstan and internal Company regulations. This includes disclosure of all significant aspects of the Company's operations, such as financial performance, operational results, ownership structure, and governance.</p> <p>To ensure a systematic approach to information disclosure, the Company adopts internal documents that define the principles and approaches to disclosure and information protection. These documents specify the list of information to be disclosed to stakeholders, as well as the timing, procedures, methods, and formats for disclosure. They also designate the responsible officers and employees, detailing their functions and responsibilities, along with other provisions governing disclosure processes.</p> <p>In order to protect information constituting commercial and official secrets, the Company establishes pursuant to the laws of the Republic of Kazakhstan the procedure for classifying information by access level and sets the conditions for its storage and use. The Company determines the list of individuals who are granted free access to commercial and official secrets and takes appropriate measures to ensure their confidentiality.</p> <p>The Company's website (https://spkalmaty.kz/) is well-structured, user-friendly, and provides sufficient information for stakeholders to understand the Company's operations.</p> <p>The website is updated as needed, but not less than once a week. The Company regularly monitors the completeness and relevance of the information posted on the website and ensures that the content on the Kazakh, Russian, and English versions is consistent. To that end, responsible persons (organizational units) are assigned to oversee the completeness and accuracy of the information posted online.</p>	Press Service, Strategy and Corporate Development Department, Legal Support Department, Accounting and Reporting Department



1	2	3	4	5
			<p>The Company's website contains the following information:</p> <ul style="list-style-type: none"> • general information about the Company, including its mission, main tasks, goals and areas of activity, amount of equity, total assets, net income, and number of employees • information about the Development Program and/or development plan (at minimum, strategic goals) • priority areas of activity • the Articles of Association and internal documents of the Company regulating the activities of its bodies, committees, and the Corporate Secretary • ethical principles • risk management • Dividend Policy • Members of the Board of Directors, including the following information: photograph (subject to the member's consent), full name, date of birth, nationality, status on the Board of Directors (Independent Director, representative of the Sole Shareholder), functions performed (including committee memberships or role as Chairperson), education (basic and additional – name of educational institution, graduation year, qualification, and degree), work experience over the past five years, primary place of employment and other current positions, professional qualifications, date of first election and current term of office on the Board, number and percentage of shares in affiliated entities • Members of the Management Board, including the following information: photograph, full name, date of birth, nationality, position and functions performed, education (basic and additional – name of educational institution, graduation year, qualification, and degree), work experience over the past five years, professional qualifications, concurrent positions held, number and percentage of shares in affiliated entities • Financial Statements • Annual Reports • External Auditor • structure of the authorized capital, including the following details: number and nominal value of issued shares (interests), description of rights attached to the shares, number and nominal value of authorized but unissued shares, information on the Sole Shareholder, number and percentage of common shares (interests) held, procedure for exercising ownership rights • asset structure, including information on affiliated entities at all levels with a brief description of their activities • sustainable development activities • amount of approved dividends • news and press releases. <p>The Company prepares its Annual Report in accordance with the provisions of this Code and best practices in information disclosure.</p> <p>Public opinion plays an important role in the Company's operations. Accordingly, the Company takes a careful and strategic approach to information promotion and public positioning. The effectiveness of this process depends largely on the strategy for building relationships with the media.</p> <p>In accordance with this principle, the Company ensures the timely disclosure of information to its stakeholders regarding its activities, including its financial position, economic performance, operating results, and management structure.</p> <p>The Company places great emphasis on the transparency of its operations.</p>	

1	2	3	4	5
			<p>In 2024:</p> <ul style="list-style-type: none"> • 79 news articles about the activities of the Company and its subsidiaries were prepared and published on the Company's website. • 260 posts were prepared and published on social media about the activities of the Company and its subsidiaries. • 133 reels were filmed and published on the Company's Instagram account. <p>During the reporting period, the following media engagement activities were carried out:</p> <ul style="list-style-type: none"> • More than 50 inquiries from media outlets (including Ls Media, Almaty TV, Channel One, Ratel, Kazakhstan TV, Informburo, Krisha.kz, and Kazinform) were received and responded to within the timeframes set by the legislation of Kazakhstan. • 37 TV interviews were organized with the employees of the Company and its subsidiaries (with Almaty TV, Channel One, Kazakhstan, Khabar, Channel 31, etc.). • Over 1,150 media mentions with positive or neutral coverage of the Company or its subsidiaries were recorded. <p>In disclosing information, the Company is guided by the Information Security Policy of Almaty SEC JSC and the Confidential Information Regulation of Almaty SEC JSC.</p> <p>Information is provided on corporate events and affiliates of the Company. In 2024, details of 15 corporate events and 4 reports on affiliates were submitted to the Financial Reporting Depository.</p>	
8	Engage-ment of subsidia-ries and associates	Compliant	<p>To exercise its rights as a shareholder/member, the Company interacts with its subsidiaries and associates in accordance with the requirements of the law, its Articles of Association, this Code, and the Company's internal documents, as well as the articles of association of its subsidiaries and associates.</p> <p>In accordance with the Regulation on Interaction between Almaty SEC JSC and Its Subsidiaries, approved by Resolution No. 3 of the Sole Shareholder dated February 29, 2024, and to avoid a merely "box-ticking" approach to the activities of the Supervisory Boards of subsidiaries and associates, and to ensure the principles of effective, transparent, and accountable corporate governance:</p> <ul style="list-style-type: none"> • Before submitting matters to the Supervisory Boards of subsidiaries or associates, such subsidiary or associate must send all related materials to the responsible organizational unit of the Company for consideration. • This organizational unit forwards the documents to other relevant departments of the Company, which, within their area of competence, review and provide an independent opinion on the matters to be submitted to the Supervisory Boards. • After receiving the opinions, which may include comments, recommendations, and corrections, the organizational unit sends the materials to the subsidiaries and associates with recommendations for addressing the issues. Once all comments have been resolved and suggestions considered, the materials are forwarded to the Representative of Almaty SEC JSC (a member of the Supervisory Board). <p>In their activities, the subsidiaries and associates of Almaty SEC JSC strictly adhere to the provisions of the Regulation on Interaction between Almaty SEC JSC and Its Subsidiaries.</p>	Asset Ma-nagement Department



CONSOLIDATED FINANCIAL STATEMENTS OF ALMATY SEC JSC

AS OF DECEMBER 31 AND FOR THE YEAR ENDED DECEMBER 31, 2024,
WITH THE INDEPENDENT AUDITOR'S REPORT

APPENDIX 4

"Social and Entrepreneurial Corporation "Almaty" JSC

Content

Management's Conformation of Responsibilities for the Preparation and Approval of the Consolidated Financial Statements for the Year Ended December 31, 2024

Independent auditor's report

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"Social and Entrepreneurial Corporation "Almaty" JSC

Management's Conformation of Responsibilities for the Preparation and Approval of the Consolidated Financial Statements for the Year Ended December 31, 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 Social and Entrepreneurial Corporation Almaty JSC 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 December 31, 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 referred to as IFRS).

In preparing the consolidated financial statements, 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 December 31, 2024 were approved by the Group's management on 26 March 2025 and signed on its behalf by:


Aldazhatov E.K.
Deputy Chairman of the Board




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



INDEPENDENT AUDITOR'S REPORT

To the shareholder and management of "Social and entrepreneurial corporation "Almaty" JSC

Opinion

We have audited the consolidated financial statements of Social and Entrepreneurial Corporation Almaty JSC and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 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, and notes to the consolidated financial statements, including a summary of SIGNIFICANT ACCOUNTING POLICIES.

In our opinion, the consolidated financial statements present true and fair view, in all material respects, of the financial position of the Group as at December 31, 2024, and of its financial performance and its 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 due to fraud is higher than the risk of not detecting a material misstatement due to error because fraud can include collusion, forgery, intentional omission, misrepresentation, or 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 be 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.


Badambayeva Saule
Audit Partner
IAC Russell Bedford A+ Partners LLP
Auditor's qualification certificate No. МФ-0000720 dated 10.01.2019.


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

050000, Almaty, Republic of Kazakhstan
Abish street Kekilbayuly 34

March 26, 2025



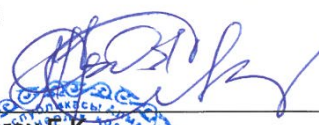

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MEMBER OF THE
FORUM OF FIRMS

"Social and Entrepreneurial Corporation "Almaty" JSC**Consolidated Statement of Financial Position as at December 31, 2024**

thousand tenge	Note:	December 31, 2024	December 31, 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
Non-current financial assets	7	22,671,001	15,668,371
Investment securities		32,211	62,739
Non-current accounts receivable	8	47,494,045	43,502,738
Deferred tax asset	24	67,478	-
Other non-current assets	9	5,618,732	7,704,213
Total non-current assets		95,477,048	85,150,934
Current assets			
Inventory	10	31,729,280	10,492,396
Trade and other receivables	8	5,159,036	453,662
Current financial assets	7	2,199,791	2,758,160
Prepayment of income tax		2,068,355	9,570
Advances paid and other current assets	11	27,372,043	9,154,904
Repo asset	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
Repurchased equity instruments	14	(22,356,100)	(21,051,538)
Retained earnings/(Uncovered loss)		7,464,500	(562,047)
Total equity		178,459,969	171,737,984
Non-current liabilities			
Non-current loans received	15	2,904,495	7,709,313
Other non-current liabilities	16	246,729	214,628
Deferred tax liabilities	24	-	96,195
Total non-current liabilities		3,151,224	8,020,136
Current liabilities			
Current loans received	15	6,230,608	4,240,207
Trade and other accounts payable	17	5,156,132	3,452,692
Taxes and payments due		143,663	65,043
Corporate income tax payable		181,000	1,811,399
Liabilities under buyers' contracts	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 their behalf by:


Aldazharov E.K.
 Deputy Chairman of the Board



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



March 26, 2025

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

**"Social and Entrepreneurial Corporation "Almaty" JSC****Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2024**

thousand tenge	Note:	2024	2023
Revenue from contracts with customers	18	9,171,030	5,968,099
Cost of sales	19	(8,769,944)	(3,769,918)
Gross income		401,086	2,198,181
Costs of implementation		(396,436)	(135,850)
Administrative expenses	20	(3,232,671)	(3,550,058)
Financial income/(expenses), net	21	10,408,913	(16,291,041)
Other income/(expenses), net		1,025,515	90,233
Income from sale of property, net	22	178,534	31,151,626
Share of loss of associates		-	(36,363)
Net gain/(loss) on exchange rate differences		(23)	2,579,685
Reversal of impairment losses/(losses)	23	(148,764)	3,038,202
Income before tax		8,236,154	19,044,615
Income tax expenses	24	(235,803)	(7,916,328)
Net income for the period		8,000,351	11,128,287
Other comprehensive income for the period		-	-
Total comprehensive income for the period		8,000,351	11,128,287

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


Aldazharov E.K.
 Deputy Chairman of the Board



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

March 26, 2025

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





"Social and Entrepreneurial Corporation "Almaty" JSC

Consolidated Statement of Cash Flows (Direct Method) for the Year Ended December 31, 2024

thousand tenge	2024	2023
Operational activities		
Cash received from customers	4,288,784	40,408,102
Advances received from customers	46,646,650	36,504,948
Security deposits	29,338	50,657
Repayment of loans issued	5,409,191	4,587,832
Interest received on loans	1,245,973	2,109,429
Other receipts	74,484	2,579,849
Issuance of loans	(12,495,253)	(8,132,410)
Cash paid to suppliers and contractors	(46,276,004)	(106,103,017)
Cash paid to employees	(2,115,350)	(1,985,867)
Other taxes and social payments paid	(1,048,228)	(1,183,544)
Income tax paid	(3,965,228)	(6,223,250)
Refund of guarantee deposits	(493,367)	-
Interest paid	(1,477)	(463,681)
Other payments	(17,948)	(18,358)
Net cash used in operational activities	(8,718,435)	(37,869,310)
Investment activities		
Repayment of loans issued	4,152,148	8,558,462
Returns from third party funding	2,473,184	8,839,764
Sale of property, plant and equipment and investment property	-	5,215,915
Rewards received	659,861	1,521,165
Others	-	223,930
Issuance of loans	(5,586,844)	(5,866,866)
Purchase of property, plant and equipment, investment property and intangible assets	(1,035,538)	(390,072)
REPO transactions, net	10,023,059	(11,053,400)
Net cash flows from investing activities	10,685,870	7,048,898
Financial activities		
Repayment of loans	(8,000,000)	(8,820,000)
Getting loans	6,500,000	-
Payment of share capital	-	6,000,000
Net cash used in financial activities	(1,500,000)	(2,820,000)
Net increase (decrease) in cash	467,435	(33,640,412)
Change in the allowance for expected credit losses	(15,900)	44,539
The effect of exchange rate changes on money	(4)	(174,101)
Cash at the beginning of the period	69,727,029	103,497,003
Cash at the end of the period	70,178,560	69,727,029

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

Aldazharov E.K.
Deputy Chairman of the Board

March 26, 2025

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

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



"Social and Entrepreneurial Corporation "Almaty" JSC

Consolidated Statement of Changes in Equity for the year ended December 31, 2024

thousand tenge	Share capital	Repurchased equity instruments	Retained earnings/ (Uncovered loss)	Total equity
Balance as of January 1, 2023	185,204,314	(6,392,998)	(10,505,266)	168,306,050
Issue of shares	8,201,443	(14,658,540)	-	(6,457,097)
Adjustments to previous periods	(54,188)	-	-	(54,188)
Net income for the year	-	-	11,128,287	11,128,287
Other operations on own account equity instruments	-	-	(1,846,111)	(1,846,111)
Other operations	-	-	661,043	661,043
Balance as of December 31, 2023	193,351,569	(21,051,538)	(562,047)	171,737,984
Issue of shares	-	1,354,305	-	1,354,305
Net income for the year	-	-	8,000,351	8,000,351
Other operations with own equity instruments	-	(2,658,867)	-	(2,658,867)
Other operations	-	-	26,196	26,196
Balance as of December 31, 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 their behalf by:

Aldazharov E.K.
Deputy Chairman of the Board

Alimova B.E.

Chief Accountant - Director of the Accounting and Reporting Department

March 26, 2025

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





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

1. GENERAL INFORMATION

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

"Social and Entrepreneurial Corporation "Almaty" JSC (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 of December 31, 2024 and the date of issuance of the consolidated financial statements, the sole participant of the Group is the State Institution "Department of Entrepreneurship and Investments of Almaty City" (hereinafter referred to as 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 February 28, 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:

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

Microfinance Organization Almaty LLP was created within the framework of the regional entrepreneurship development program Almaty Business-2025. In order to support SMEs, MFO Almaty LLP provides preferential lending to small and medium-sized businesses and is a subsidiary of Almaty Finance LLP with a share of 99.999999690%.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Declaration of Conformity

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 ("IAC") of the IASB.

View Basis

These consolidated financial statements have been prepared under the historical cost convention, as modified by 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 of December 31, 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 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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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 data presentation procedures

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 December 31, 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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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. 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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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 assessment

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Recognition and accounting

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 of 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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.

Calculation of the amount to be reimbursed

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 associated companies

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.

Follow-up assessment

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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Termination of recognition

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 instrument

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 (ECLs), unless the originated loan is considered a purchased or originated credit-impaired (POCI) financial asset.

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

- change of loan currency;
- adding a share component;
- change of 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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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 that are assessed on a group 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 the following:

- all assets of Stage 3 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 depending on their internal and external characteristics, as indicated below:

- type of product;
- geographic location of the borrower;
- use of credit funds;
- the value of a financial instrument.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Stage 1	At initial recognition of a loan, the Group recognises an impairment allowance equal to 12-month ECL. Stage 1 also includes loans originated for which the credit risk has improved to such an extent that they have been transferred out of Stage 2.
Stage 2	If the credit risk on loans has increased significantly since initial recognition, the Group recognises an impairment allowance equal to lifetime ECL. Stage 2 also includes loans originated for which the credit risk has improved to such an extent that they are transferred out of Stage 3.
Stage 3	Loans that are credit-impaired. The Group recognises an impairment allowance equal to lifetime ECL.
PSKO	Purchased or originated credit-impaired (POCI) financial assets are those that were credit-impaired at initial recognition. When POCI financial assets are initially recognised, they are stated at fair value and subsequently interest income is recognised based on the EIR adjusted for credit risk. An allowance for ECL is recognised or derecognised only to the extent that there has been a 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.

Calculating 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 estimate of the probability of a default occurring over a given time period. A default can only occur at a certain point in time during the period under consideration if the asset has not been derecognized and is still part of the portfolio.
Exposure to default (EAD)	The amount exposed at default (EAD) is an estimate of the amount exposed to default at a future date, taking into account expected changes in that amount after the reporting date, including payments of principal and interest, contractually or otherwise, repayments of loans issued and interest accrued as a result of late payments.
Loss Given Default (LGD)	Loss Given Default (LGD) is an estimate of the loss that would result from a default occurring at a given point in time. LGD is calculated as the difference between the contractual cash flows and the cash flows that the lender expects to receive, including from the sale of collateral. This figure is usually expressed as a percentage of the EAD.

When assessing the ECL, the Group considers two scenarios: baseline and unfavourable. The purpose of using several scenarios is to model the non-linear impact of assumptions about macroeconomic factors on the ECL. The "baseline" scenario has a probability of 75%, and the "unfavourable" scenario has a probability of 25%. For each of them, its own PD, EAD and LGD indicators are established.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.

Forecast information

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

- GDP growth;
- inflation;
- oil price.

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 assessment

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.

Follow-up assessment

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Termination of recognition

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.

Inventory

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 their equivalents

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

Restricted funds

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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Labor costs and related deductions

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.

Group as a tenant

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 landlord

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.

Assets under the contract

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.

Liabilities under the contract

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 referred to as "AC") and financial instruments designated at fair value through profit or loss (hereinafter referred to as "FVPL") is calculated using the effective interest method.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interest income on interest-bearing financial assets measured at fair value through other comprehensive income (FVOCI) is calculated using the effective interest method. The effective interest rate (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 expenses

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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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.



"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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 fair value measurement 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.





"Social and Entrepreneurial Corporation "Almaty" JSC

Notes to the consolidated financial statements as of and for the year ended December 31, 2024

4. 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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

5. PROPERTY, PLANT AND EQUIPMENT

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

6. INVESTMENT PROPERTY

thousand tenge	Land	Buildings and constructions	Others	Total
Initial cost				
As of January 1, 2023	64,886,188	981,590	38,602	65,906,380
Receipts	-	152,703	-	152,703
Disposals	(59,730,912)	(206,155)	-	(59,937,067)
As of December 31, 2023	5,155,276	928,138	38,602	6,122,016
Receipts	-	1,229,424	-	1,229,424
Disposals	-	(71,000)	(35,356)	(106,356)
As of December 31, 2024	5,155,276	2,086,562	3,246	7,245,084
Accumulated depreciation				
As of January 1, 2023	-	(171,280)	(27,765)	(199,045)
Reversal of impairment loss	-	61,096	-	61,096
As of January 01, 2023 after restoration	-	(110,184)	(27,765)	(137,949)
Accrued for the year	-	(49,586)	(2,608)	(52,194)
Disposals	-	18,355	-	18,355
As of December 31, 2023	-	(141,415)	(30,373)	(171,788)
Reversal of impairment loss	-	(45,109)	(491)	(45,600)
As of December 31, 2023 after restoration	-	(186,524)	(30,864)	(217,388)
Accrued for the period	-	(62,080)	(2,258)	(64,338)
Disposals	-	17,200	30,196	47,396
As of December 31, 2024	-	(231,404)	(2,926)	(234,330)
Carrying amount				
As of December 31, 2023	5,155,276	741,614	7,738	5,904,628
As of December 31, 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 of December 31, 2024 approximates its carrying amount.





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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

7. FINANCIAL ASSETS

thousand tenge	31.12.2024	31.12.2023
Long term part		
Loans issued to third parties	2,163,076	388,000
Lending to small and medium businesses	21,096,558	15,590,749
Discount	(347,736)	(58,704)
Reserve for expected credit losses	(240,897)	(251,674)
Total non-current financial assets	22,671,001	15,668,371
Current part		
Loans issued to third parties	2,575,539	2,830,508
Lending to small and medium businesses	236,575	95,652
Penalty, fine, forfeit	13,395	-
Discount	(517,217)	-
Reserve for expected credit losses	(108,501)	(168,000)
Total current 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 businesses

The group provides loans for business purposes to small and medium-sized businesses in Almaty, with a preferential interest rate of 2%-12% per annum.

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

The movement of financial assets is presented as follows:

thousand tenge	2024	2023
Nominal value and discount		
On January 1	18,846,205	17,976,762
Provision of principal debt	16,667,508	13,999,276
Repayment of principal debt	(9,530,349)	(13,191,594)
Fines	7,238	-
Interest accrued	958,495	867,339
Interest received	(927,607)	(861,532)
Taxes and payments	(306)	(57)
Other	(23,151)	(5,493)
Discount	(963,264)	-
Amortization of discount	185,421	61,504
At the end of the period	25,220,190	18,846,205

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

thousand tenge	2024	2023
On January 1	(419,674)	(503,338)
Accrued	(33,167)	(64,224)
Restored	103,443	147,888
At the end of the period	(349,398)	(419,674)



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8. ACCOUNTS RECEIVABLE

thousand tenge	31.12.2024	31.12.2023
Non-current accounts payable of customers and clients	67,937,135	70,919,978
Allowance for impairment losses on non-current receivables	(7,115,927)	(6,907,692)
Discount	(13,327,163)	(20,509,548)
	47,494,045	43,502,738

Non-current accounts receivable are represented by counterparties' accounts payable for assets sold in installments, as well as investment contracts.

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 5,260,000 thousand tenge 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 1,200,000 thousand tenge 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 June 30, 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.

Non-current 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 25,616,053 thousand tenge as part of finance expenses in 2023, and its amortization was recognized as part of finance income, which for 2024 amounted to 7,182,385 thousand tenge (for 2023 it amounted to 5,157,381 thousand tenge).

Current accounts receivable are shown in the table below:

thousand tenge	31.12.2024	31.12.2023
Current accounts receivable from customers and clients	4,951,333	394,354
Property rental arrears	31,146	28,438
Land lease arrears	30,779	14,834
Outstanding claims	180,356	224,665
Other remuneration receivable	-	1,359
Other current accounts receivable	1,320,016	932,927
Reserve for doubtful claims	(1,354,594)	(1,142,915)
	5,159,036	453,662

The movement in the allowance for expected credit losses on accounts receivable is presented as follows:

thousand tenge	2024	2023
On January 1	(8,050,607)	(10,488,312)
Accrual/(Recovery)	(419,914)	2,439,212
Write-off	-	(1,597)
As of December 31	(8,470,521)	(8,050,607)





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9. OTHER NON-CURRENT ASSETS

thousand tenge	31.12.2024	31.12.2023
Construction in progress	2,078,413	3,267,380
Land plots (investments)	6,466,268	7,113,504
Reserve for impairment of contract costs	(2,925,949)	(2,502,673)
Reserve for impairment of investments	-	(173,998)
	5,618,732	7,704,213

The movement in the provision for impairment of other non-current assets is presented as follows:

thousand tenge	2024	2023
On January 1	(2,925,949)	(3,074,804)
Recovery	-	148,855
As of December 31	(2,925,949)	(2,925,949)

10. INVENTORY

thousand tenge	31.12.2024	31.12.2023
Apartments and houses	30,042,824	279,786
Parking lots	966,688	952,966
Non-residential premises	599,967	959,950
Design and estimate documentation	62,691	31,258
Other materials	99,303	58,449
Construction in progress of residential buildings	37,964	8,253,989
Land plots and rights to purchase land plots intended for use in housing construction projects	1,780	37,964
Allowance for impairment	(81,937)	(81,966)
	31,729,280	10,492,396

11. ADVANCES ISSUED AND OTHER CURRENT ASSETS

thousand tenge	31.12.2024	31.12.2023
Advances issued for the construction of apartments	25,114,245	7,667,524
Advances issued for the supply of supplies and provision of services	1,389,366	1,136,355
Current tax assets	545,819	471,667
Security deposits for participation in the tender	415,315	-
Other	8,198	3,033
Minus: reserve	(100,900)	(123,675)
	27,372,043	9,154,904

12. REPO ASSET

As at December 31, 2024, there were outstanding reverse repurchase agreements between the Group and BCC INVEST - SUBSIDIARY OF BANK CENTERCREDIT JSC in the amount of 7,248,580 thousand tenge (December 31, 2023: 11,728,105 thousand tenge). The subject 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

thousand tenge	31.12.2024	31.12.2023
Cash in bank accounts in tenge	5,243,946	2,841,591
Cash in deposit accounts in tenge	32,462,183	18,102,266
Cash in treasury accounts	32,502,096	48,796,937
Reserve for expected credit losses	(29,665)	(13,765)
	70,178,560	69,727,029
Restricted funds	1,611,590	1,628,199
Impairment of restricted cash	(1,611,590)	(1,628,199)
	70,178,560	69,727,029

Cash in 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.

Cash in deposit accounts 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 funds 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 2,000,000 thousand tenge.

On May 17, 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 of December 31, 2024 and December 31, 2023, the Group's share capital was fully paid and amounted to 193,351,569 thousand tenge.

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

In April 2024, the sole shareholder decided to purchase the previously repurchased 16,250 shares of the Group at a price of 1,000 tenge per share for a total of 16,250 thousand tenge 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 491,865 thousand tenge and the previously repurchased 458,275 shares of the Group were acquired at a price of 1,000 tenge per share for a total of 458,275 thousand tenge.

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 879,780 thousand tenge.

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 2,588,380 thousand tenge 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 January 5, 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. LOANS RECEIVED

thousand tenge	Maturity dates	Percentage bid	Currency	31.12.2024	31.12.2023
Loans to related parties	2024-2026	0.01%	Tenge	9,135,103	11,949,520
				9,135,103	11,949,520
Short term part				6,230,608	4,240,207
Long term part				2,904,495	7,709,313
				9,135,103	11,949,520

Loans to 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 income statement as finance income (expenses).



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15. LOANS RECEIVED (continued)

The movement of loans received is presented as follows:

thousand tenge	2024	2023
Nominal value		
On January 1	14,999,997	26,574,000
Loans received	5,000,000	-
Repayment of loans received	(8,000,000)	(8,820,000)
Interest accrued	1,477	463,681
Interest paid	(1,477)	(463,681)
Exchange rate difference	-	(2,754,003)
As of December 31	11,999,997	14,999,997
Discount		
On January 1	(3,050,477)	(5,150,163)
Recognition of discount	(2,046,344)	-
Change in ratings	(819,424)	400,584
Amortization of discount	3,051,351	1,699,102
As of December 31	(2,864,894)	(3,050,477)
Carrying amount		
Short term part	6,230,608	4,240,207
Long term part	2,904,495	7,709,313
As of December 31	9,135,103	11,949,520

16. OTHER NON-CURRENT LIABILITIES AND COMMITMENTS UNDER CUSTOMER CONTRACTS

thousand tenge	31.12.2024	31.12.2023
Advances received	48,110,097	147,299
Non-current contractual liabilities	246,729	214,628
	48,356,826	361,927

17. TRADE AND OTHER PAYABLES

thousand tenge	31.12.2024	31.12.2023
Trade accounts payable	4,131,267	3,013,280
Estimated liability for claims	744,800	200,000
Salary arrears	7,332	216
Debt to individuals for liabilities to transfer housing	6,261	6,261
Security deposits for participation in the tender	2,670	82,563
Trade payables to subsidiaries	-	-
Other accounts payable	263,802	150,372
	5,156,132	3,452,692

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





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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

17. TRADE AND OTHER PAYABLES (continued)

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

On September 18, 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 Almaty City Akimat" LLP was granted a 6-month installment plan for the execution of the decision from August 8, 2024 to February 8, 2025, with a monthly payment of 150,512 thousand tenge.

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

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 BUYERS

thousand tenge	2024	2023
Sale of apartments, residential buildings and non-residential premises	6,842,577	2,937,179
Income from food sales	1,075,732	214,178
Operator services for maintenance and provision of the Industrial Zone in the Alatau district of Almaty	1,027,408	1,732,545
Rental income from investment property	225,313	206,752
Other implementation	-	737,255
Free transfer of apartments	-	140,190
	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

thousand tenge	2024	2023
Cost price of apartments and residential buildings	6,499,785	2,240,886
Cost price of food products	1,075,732	214,178
Payroll expenses	408,641	264,064
Depreciation	292,826	457,219
Utility costs	115,658	-
Landscaping works	96,803	-
Security services	70,980	-
Professional Services	55,945	30,823
Social tax and social contributions	44,482	21,689
Cost price of non-residential premises	28,962	166,376
Future expenses	24,058	12,589
Costs of paying for services	-	137,545
Cost price of parking lots	-	127,198
Other	56,072	97,351
	8,769,944	3,769,918



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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

20. ADMINISTRATIVE EXPENSES

thousand tenge	2024	2023
Payroll expenses	2,126,138	2,283,384
Social tax and social contributions	177,281	166,960
Taxes and payments to the budget	162,134	242,521
Depreciation and amortization	121,531	150,412
Rental expenses	93,127	78,419
VAT not accepted for offset	93,022	167,611
Expenses for the implementation of the fair	68,384	56,309
Audit and evaluation costs	49,422	69,286
Personnel 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 expenses	11,526	14,899
Expenses on repo transactions	10,881	13,724
Information services	9,740	9,820
Financial services	8,292	6,103
Utility costs	6,647	7,151
Materials	6,560	10,434
Communication services	6,119	3,140
Security services	5,905	6,781
Cleaning of office premises	4,690	3,297
Third party services	4,387	8,929
Bank services	1,948	23,107
Future expenses	1,518	1,412
Other	129,592	107,184
	3,232,671	3,550,058

21. FINANCIAL INCOME/(EXPENSES), NET

thousand tenge	2024	2023
Financial income		
Amortization of discount on installment contracts	7,182,385	5,157,381
Income from repo transactions	2,222,362	2,587,857
Discount on loans received	2,865,768	(400,584)
Loan remuneration	958,495	826,574
Deposit rewards	834,951	2,114,542
Amortization of discount on loans issued	185,421	61,506
Warranty fee	138,616	-
Income from investment activities	37,007	1,140,521
Total financial income	14,425,005	11,487,797
Financial expenses		
Amortization of discount on loans received	(3,051,351)	(1,699,104)
Discount on loans issued	(963,264)	-
Loan interest expenses	(1,477)	(463,681)
Discount on installment contracts	-	(25,616,053)
Total financial expenses	(4,016,092)	(27,778,838)
Total financial (expenses) income	10,408,913	(16,291,041)





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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

22. PROPERTY SALES INCOME, NET

thousand tenge	Income from sale of property	Expenses for the sale of property	Total income from sale of property, net
2024			
Right of redemption of lease	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
	3,308,452	(3,129,918)	178,534
2023			
Land plots	90,757,532	(59,730,912)	31,026,620
Apartments	41,521	(9,377)	32,144
Other assets	144,301	(51,439)	92,862
Total income from sale of property, net	90,943,354	(59,791,728)	31,151,626

23. RECOVERY OF LOSSES/(LOSSES) FROM IMPAIRMENT

thousand tenge	2024	2023
Reversal of impairment losses		
Reversal of the provision for impairment of other non-current assets	173,998	-
Recovery of the provision for impairment of loans issued	103,102	560,046
Recovery of the reserve for impairment of advances issued	22,702	186
Recovering the reserve for impairment of investments	3,805	-
Recovery of the provision for impairment of accounts receivable	3,691	2,479,031
Reversal of the provision for impairment of cash	1,250	44,627
Restoring the reserve for fines	-	3
	308,548	3,083,893
Impairment losses		
Accrual of reserve for impairment of cash	(17,150)	-
Accrual of reserve for expected credit losses on loans issued	(33,167)	-
Accrual of provision for impairment of accounts receivable	(406,995)	-
Accrual of provision for impairment of investment property	-	(45,600)
Accrual of reserve for expected credit losses on asset under repo	-	(91)
	(457,312)	(45,691)
	(148,764)	3,038,202

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

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

thousand tenge	2024	2023
Current income tax expense	399,476	8,297,919
Deferred income tax expense	(163,673)	(381,591)
Income tax expenses	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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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

thousand tenge	2024	2023
Income before tax	8,236,657	19,044,615
Tax at the established rate of 20%	1,647,331	3,808,923
Change in unrecognized tax assets	(1,442,088)	4,107,521
Tax impact of exchange rate and other permanent differences	30,560	(116)
Income tax expenses	235,803	7,916,328
Effective tax rate	3%	42%

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

thousand tenge	31.12.2024	31.12.2023
Discount and amortization on loans received	(572,979)	(610,095)
Other reserves	450,459	553,074
Reserve for lawsuits	148,960	40,000
Vacation reserve	26,376	18,557
Property, plant and equipment and intangible assets	11,553	(100,631)
Taxes payable	3,109	2,900
	67,478	(96,195)

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

thousand tenge	2024	2023
Opening balance	(96,195)	(477,786)
Recognized as (expenses) income	163,673	381,591
Final balance	67,478	(96,195)

25. RELATED PARTY DISCLOSURE

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.

Related party transactions:

thousand tenge	Shareholder	Associated companies
December 31, 2023		
Loans received	(13,500,000)	-
December 31, 2023		
Loans received	(15,000,000)	-
Implementation to related parties	1,307,015	-
Share of loss of associates	-	(36,363)

Key Management Transactions

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





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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

26. CONTRACTUAL AND CONTINGENT COMMITMENTS

Lawsuits

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 of December 31, 2024.

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

Environmental issues

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.

Financial guarantees

On November 17, 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 1,500,000 thousand tenge, 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 October 24, 2023. Thus, the guarantee became active on February 2, 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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

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 7,350,000 thousand tenge. As of 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 issues

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 of business

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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

27. FINANCIAL RISK MANAGEMENT (continued)

The Group's financial instruments are as follows:

thousand tenge	31.12.2024	31.12.2023
Financial assets:		
Non-current financial assets	22,671,001	15,668,371
Non-current accounts receivable	47,494,045	43,502,738
Investment securities	32,211	62,739
Trade and other receivables	5,159,036	453,662
Current financial assets	2,199,791	2,758,160
Repo asset	7,248,580	11,728,105
Cash and cash equivalents	70,178,560	69,727,029
	154,983,224	143,900,804
Financial liabilities:		
Non-current loans received	2,904,495	7,709,313
Current loans received	6,230,608	4,240,207
Trade and other accounts payable	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:

thousand tenge	31.12.2024	31.12.2023
Non-current financial assets	22,671,001	15,668,371
Non-current accounts receivable	47,494,045	43,502,738
Investment securities	32,211	62,739
Trade and other receivables	5,159,036	453,662
Current financial assets	2,199,791	2,758,160
Repo asset	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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Notes to the consolidated financial statements as of and for the year ended December 31, 2024

27. FINANCIAL RISK MANAGEMENT (continued)

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

thousand tenge	Less than 3 months	From 3 to 12 months	From 1 year to 5 years	Total
December 31, 2024				
Trade and other accounts payable	4,131,267	1,024,865	-	5,156,132
Loans received	338	5,006,775	7,001,225	12,008,338
	4,131,605	6,031,640	7,001,225	17,164,470
December 31, 2023				
Trade and other accounts payable	3,013,302	336,769	-	3,350,071
Loans 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

The Group has no loans and borrowings with variable interest rates at the reporting dates of December 31,. 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 March 14, 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 200,000 thousand tenge and on March 26, 2025 , made another payment in the amount of 200,000 thousand tenge.

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 2,588,380 thousand tenge 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 January 5, 2025.

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



CONTACTS

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