Алматы электр станциялары АҚ

АО Алматинские электрические станции

# ALMATY ELECTRIC STATIONS JSC

Financial Statements in accordance with
IFRS accounting standards and
Independent Auditor's Report

*December 31, 2025*

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# Independent auditor's report

To the Shareholder and Board of Directors of Joint-Stock Company "Almaty Electric Power Plants"

## *Opinion*

We have audited the financial statements of Joint-Stock Company "Almaty Electric Power Plants" (hereinafter, the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

## *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Key audit matters*

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



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| *Key audit matter* | *How our audit addressed the key audit matter* |
|---|---|
| ***Revenue from contracts with customers*** | |
| Revenue is significant to the financial statements and is an important element in how the Company measures its performance and management is incentivised.<br><br>Revenue from contracts with customers includes revenue from sales of electricity, revenue from sales of heat power, revenue from power capacity maintenance services, revenue from sales of chemically treated water and other sales.<br><br>Revenue from sales of electricity consists of sales to the Financial Settlement Center for Renewable Energy Sources LLP (FSC) that carries out centralized purchase and sale of electric energy in the Republic of Kazakhstan, and sales of electricity to customers through the Settlement Center for the Balancing Electricity Market (BEM). In addition, the Company provides power capacity maintenance services to the FSC.<br><br>The Company sells heat power and chemically treated water to the Almaty Heating Networks LLP.<br><br>Tariffs on sales of electricity to the FSC, power capacity maintenance services, sales of heat power and chemically treated water are fixed and set by the Ministry of Energy of the Republic of Kazakhstan, while tariffs on sales through the BEM are not fixed and are formed on a market basis.<br><br>Revenue from contracts with customers was one of the matters of most significance in our audit.<br><br>Information on revenue from contracts with customers is disclosed in *Note 16* to the financial statements. | We analysed the terms and conditions of revenue contracts with customers.<br><br>We compared on a sample basis revenue transactions recorded in the accounting system to supporting invoices and acts of acceptance.<br><br>We performed analytical procedures by comparing current year monthly revenue amounts with the previous year monthly revenue amounts and analysed unusual trends in revenue recognition.<br><br>We compared the volumes of electricity sold throughout the year to the reports issued by Kazakhstan Electricity Grid Operating Company.<br><br>We obtained confirmations from the Company's customers on the accounts receivable balances as of 31 December 2025.<br><br>We assessed the disclosures in the financial statements related to revenue from contracts with customers and related contract balances. |



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| *Key audit matter* | *How our audit addressed the key audit matter* |
|---|---|

***Long-term construction contracts for reconstruction and modernization of power plants***

The Company is implementing significant projects for the modernization and reconstruction of electricity power plants, which are characterized by substantial capital expenditures, complex contractual relationships, and are often carried out in remote locations.

This was one of the matters of most significance in our audit.

Insufficient controls over contract management may lead to the risk of incorrect classification of costs between capital and operating expenses, which, in turn, may significantly impact financial statements.

Information about capital expenditures and trade payables under the contracts for reconstruction and modernization is disclosed in *Notes 6* and *15* to the financial statements; accounting policies, significant accounting judgements, estimates and assumptions are disclosed in *Notes 4* and *15* to the financial statements.

We obtained an understanding of the Company's procurement process. We analyzed the terms and conditions of the key contracts.

We performed physical observation of the ongoing construction and modernization projects.

On a sample basis, we compared the amounts of capital expenditures and operating expenses recorded in the accounting system to supporting documents.

On a sample basis, we analysed the nature of expenditures and the related judgements applied in their classification between capital and operating expenses.

We assessed the related notes to the financial statements.

***Other matter***

The financial statements of the Company as at and for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion on those financial statements on 28 February 2025.

***Other information included in the Company's 2025 Annual Report***

Other information consists of the information included in the Company's 2025 Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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***Responsibilities of management and the Board of Directors for the financial statements***

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

***Auditor's responsibilities for the audit of the financial statements***

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

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

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



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

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

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

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

The partner in charge of the audit resulting in this independent auditor's report is Dinara Malayeva.

Ernst & Young LLP

Малаева Динара Рашидовна
№ МФ-0000323
Қазақстан Республикасының аудиторы

Dinara Malayeva
Auditor

Auditor Qualification Certificate
No. МФ-0000323 dated 25 February 2016

ERNST & YOUNG

Rustamzhan Sattarov
General Director
Ernst & Young LLP

State Audit License for audit activities on the territory of the Republic of Kazakhstan: series МФЮ-2 No. 0000003 issued by the Ministry of Finance of the Republic of Kazakhstan on 15 July 2005

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14 April 2026



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# STATEMENT OF FINANCIAL POSITION

## As at December 31, 2025

| *In thousands of Kazakhstani Tenge* | Note | December 31, 2025 | December 31, 2024 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 6 | **431,876,857** | 167,359,313 |
| Intangible assets | 6 | **1,404,135** | 262,939 |
| Net investments in a lease | 4 | **318,714** | - |
| Other non-current assets | 7 | **82,157,820** | 92,553,557 |
| Deferred tax assets | 20 | **1,186,505** | - |
| **Total non-current assets** | | **516,944,031** | 260,175,809 |
| **Current assets** | | | |
| Inventories | 8 | **15,437,839** | 13,540,066 |
| Trade and other receivables | 9 | **27,435,370** | 18,462,625 |
| Income tax prepaid | | **997,289** | 445,758 |
| Other current assets | 9 | **8,415,024** | 2,191,477 |
| Cash and cash equivalents | 10 | **7,230,923** | 16,392,271 |
| **Total current assets** | | **59,516,445** | 51,032,197 |
| Assets held for sale | | **56,763** | 56,763 |
| **Total assets** | | **576,517,239** | 311,264,769 |
| **Equity** | | | |
| Share capital | 11 | **84,539,979** | 78,875,031 |
| Additional paid-in capital | 11 | **36,874,425** | 31,085,139 |
| Retained earnings | | **46,929,056** | 41,317,921 |
| **Total equity** | | **168,343,460** | 151,278,091 |
| **Liabilities** | | | |
| **Long-term liabilities** | | | |
| Trade and other payables | 15 | **13,083,022** | 2,235,973 |
| Borrowings and bonds issued | 14 | **273,293,445** | 56,227,190 |
| Reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities | 12 | **24,162,072** | 15,836,098 |
| Employee benefits obligations | 13 | **2,145,900** | 1,963,149 |
| Deferred tax liabilities | 20 | **-** | 653,381 |
| **Total long-term liabilities** | | **312,684,439** | 76,915,791 |
| **Short-term liabilities** | | | |
| Trade and other payables | 15 | **58,526,306** | 70,806,730 |
| Borrowings and bonds issued | 14 | **33,141,852** | 9,711,941 |
| Other taxes payable | | **1,086,431** | 1,567,664 |
| Employee benefits obligations | 13 | **311,600** | 205,121 |
| Reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities | 12 | **2,423,151** | 779,431 |
| **Total current liabilities** | | **95,489,340** | 83,070,887 |
| **Total liabilities** | | **408,173,779** | 159,986,678 |
| **Total liabilities and equity** | | **576,517,239** | 311,264,769 |

Signed on behalf of management on April 14, 2026

*Mashirov Yarik Kanishbekovich* Chairman of the Management Board

*Urazaeva Saniya Tulgatovna* Chief Accountant

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

**For the year ended December 31, 2025**

| *In thousands of Kazakhstani Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| Revenue from contracts with customers | 16 | **139,754,112** | 125,675,099 |
| Cost of sales | 17 | **(119,136,759)** | (96,785,097) |
| **Gross profit** | | **20,617,353** | 28,890,002 |
| General and administrative expenses | 18 | **(8,247,180)** | (3,188,819) |
| (Accrual) / reversal of allowance for expected credit losses | 9 | **(181,607)** | 34,152 |
| Impairment loss | 6 | **(15,993)** | - |
| Other operating income | | **271,889** | 382,895 |
| Other operating expenses | | **(485,061)** | (307,765) |
| **Operating profit** | | **11,959,401** | 25,810,465 |
| Finance income | 19 | **691,610** | 413,382 |
| Finance costs | 19 | **(3,961,465)** | (2,322,966) |
| (Expenses) / income from exchange rate differences, net | | **(496,787)** | 75,931 |
| **Profit before income tax** | | **8,192,759** | 23,976,812 |
| Income tax expense | 20 | **(2,726,976)** | (4,934,271) |
| **Net profit for the year** | | **5,465,783** | 19,042,541 |
| **Other comprehensive income / (loss)** | | | |
| *Items that will not be subsequently reclassified to profit or loss* | | | |
| Gain / (loss) on remeasurement of defined benefit pension plans | 13 | **145,352** | (40,847) |
| **Total other comprehensive income / (loss) for the year** | | **145,352** | (40,847) |
| **Total comprehensive income for the year** | | **5,611,135** | 19,001,694 |

Signed on behalf of management on April 14, 2026

*Mashirov Yerik Kamshbekovich* Chairman of the Management Board

*Urazayeva Saule Talgatovna* Chief Accountant

## STATEMENT OF CHANGES IN EQUITY

### For the year ended December 31, 2025

| *In thousands of Kazakhstani Tenge* | Note | Share capital | Additional paid-in capital | Retained earnings | Total equity capital |
|---|---|---|---|---|---|
| As at January 1, 2024 | | 78,875,031 | 31,085,139 | 22,316,227 | 132,276,397 |
| Profit for the year | | – | – | 19,042,541 | 19,042,541 |
| Other comprehensive loss | 13 | – | – | (40,847) | (40,847) |
| **Total comprehensive income for the year** | | – | – | 19,001,694 | 19,001,694 |
| **As of December 31, 2024** | | **78,875,031** | **31,085,139** | **41,317,921** | **151,278,091** |
| Profit for the year | | – | – | 5,465,783 | 5,465,783 |
| Other comprehensive income | 13 | – | – | 145,352 | 145,352 |
| **Total comprehensive income for the year** | | – | – | 5,611,135 | 5,611,135 |
| **Proceeds from issuance of common stock** | 11 | 5,664,948 | 5,789,286 | – | 11,454,234 |
| **As of December 31, 2025** | | **84,539,979** | **36,874,425** | **46,929,056** | **168,343,460** |

Signed on behalf of management on April 14, 2026

*Mashirov Yerik Kanyshbekovich* Chairman of the Management Board

*Urgazieva Saniya Fakhatovna* Chief Accountant

## STATEMENT OF CASH FLOWS

**For the year ended December 31, 2025**

| *In thousands of Kazakhstani Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before tax | | 8.192.759 | 23.976.812 |
| Adjustments: | | | |
| Depreciation of property, plant and equipment and amortization of intangible assets | 6 | 18,065,148 | 13,497,669 |
| Impairment loss on property, plant and equipment and intangible assets | 6 | 15,993 | - |
| Employee benefits | 13 | 498,774 | 646,620 |
| Accrual / (reversal of) expected credit losses | 9 | 181,407 | (34,152) |
| Provision for slow-moving and obsolete inventories | | 201,134 | 103,092 |
| Finance income | 19 | (691,610) | (413,382) |
| Finance costs | 19 | 3,961,465 | 2,322,966 |
| Other changes | | 88,609 | 132,426 |
| **Cash flows from operating activities before changes in working capital and long-term liabilities** | | 30,513,679 | 40,232,051 |
| Change in trade and other receivables | | (10,912,928) | (8,290,334) |
| Change in inventories | | (2,098,906) | (2,995,873) |
| Changes in trade and other payables | | (1,032,086) | 522,969 |
| Changes in tax liabilities | | (6,371,215) | 350,017 |
| Compensation paid to employees | 13 | (295,539) | (243,012) |
| **Cash flows from operating activities** | | 9,803,005 | 29,575,818 |
| Interest paid | 14 | (1,301,683) | (381,936) |
| Interest received | | 1,092,700 | 443,159 |
| Income tax paid | | (5,120,026) | (6,263,175) |
| **Net cash flows from operating activities** | | 4,473,996 | 23,373,866 |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | (18,952,557) | (31,230,499) |
| Purchase of intangible assets | | (637,523) | (183,832) |
| Prepayment for the purchase of property, plant and equipment | | (242,032,583) | (36,213,823) |
| Proceeds from the sale of property, plant and equipment | | - | 39,343 |
| **Net cash flows used in investing activities** | | (261,622,663) | (67,588,811) |
| **Cash flows from financing activities** | | | |
| Proceeds from borrowings | 14 | 244,488,540 | 86,575,243 |
| Repayment of borrowings | 14 | (25,571,097) | (31,462,591) |
| Proceeds from issuance of bonds | 14 | 18,076,908 | - |
| Proceeds from issuance of ordinary shares | 11 | 11,454,234 | - |
| Settlement of liabilities | 14 | (600) | (261,435) |
| **Net cash flows from financing activities** | | 248,447,985 | 54,851,217 |
| **Net cash and cash equivalents** | | (8,700,682) | 10,636,272 |
| Cash and cash equivalents at the beginning of the year | 10 | 16,392,271 | 5,681,899 |
| Effect of foreign exchange rate changes on cash and cash equivalents | | (461,399) | 75,018 |
| Effect of changes in expected credit losses on cash | 10 | 733 | (918) |
| **Cash and cash equivalents at year-end** | 10 | 7,230,923 | 16,392,271 |

Signed on behalf of management on April 14, 2026

Mashirov Yerik Kanyshbekovich Chairman of the Management Board

Urazayeva Samya Talgatovna Chief Accountant

*The accompanying notes from page 5 to page 62 are an integral part of these financial statements.*

## 1. THE COMPANY AND ITS OPERATIONS

These financial statements have been prepared in accordance with IFRS accounting standards for the year ended December 31, 2025, for Almaty Electric Stations JSC (hereinafter the "Company").

As of December 31, 2025, and December 31, 2024, the sole shareholder of the Company is Samruk-Energy JSC (hereinafter "Samruk-Energy").

The ultimate controlling party of the Company is the Government of the Republic of Kazakhstan (hereinafter the "RK") through Samruk-Kazyna National Welfare Fund JSC (hereinafter "Samruk-Kazyna").

### Principal Activity

The principal activity of the Company is the generation of electric and thermal energy based on coal, hydrocarbons, and water resources within the city of Almaty and the Almaty region. The operation of electric power stations, as well as other activities not prohibited by law and technologically related to the activities provided for by the Charter, consistent with the Company's goals and objectives.

The Company owns property complexes of heat and electricity power plants CHP-1 named after B. Orazbayev, CHP-2 named after A. Zhakutov, and CHP-3, heat station in Almaty, Kapchagay hydroelectric power station named after Sh. Chokin in Almaty region, Caskad hydro power plant in Almaty, as well as auxiliary divisions in Almaty.

The Company's operational activities are regulated by the RoK Laws "On Natural Monopolies", "On Electric Power Industry", the Entrepreneurial Code of the Republic of Kazakhstan and other regulatory legal acts.

The tariff for electric energy is determined in accordance with the Rules for approving the maximum tariff for electric energy and the maximum tariff for the service of maintaining the readiness of electric capacity approved by the Order of the Minister of Energy of the Republic of Kazakhstan № 147 dated February 27, 2015.

The tariff for thermal energy production services is established by the Departments of the Committee for the Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the city of Almaty and the Almaty region for five years. The tariff formation procedure is carried out in accordance with the Rules for tariff formation, approved by the Order of the Minister of National Economy of the RoK № 90 dated November 19, 2019.

### Legal Address and Place of Business

The legal address of the Company's head office is: Republic of Kazakhstan, Almaty, Dostyk Avenue 7.

## 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

### Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with IFRS accounting standards as approved by the International Accounting Standards Board (hereinafter the "IASB").

These financial statements have been prepared on the historical cost basis. The financial statements are presented in Tenge, and all amounts are rounded to the nearest thousand (000), unless otherwise indicated.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Going concern principle**

Management prepared these financial statements on a going concern basis. In making this judgement management considered the Company's financial position, current plans, profitability of operations and access to financial resources. As of 31 December 2025, the Company's short-term liabilities exceed its short-term assets by 35,972,895 thousand tenge (as of 31 December 2024: net current liability in the amount of 32,038,690 thousand tenge). This is primarily due to accrued liabilities under the projects of modernization of electricity power plants CHP-2 and CHP-3 *(Notes 4, 14)*. The Company has entered into loan agreements with the European Bank for Reconstruction and Development, the Development Bank of Kazakhstan JSC, the Asian Development Bank, Halyk Bank of Kazakhstan JSC and the Eurasian Development Bank to finance these liabilities *(Note 14)*. In addition, the Company obtained the support letter from the Shareholder Samruk-Energo which confirmed the intention to provide financial support to the Company during the period of at least 12 months from the date of issuance of these financial statements.

**Foreign currency translation**

***(i) Functional and presentation currency***

Unless otherwise indicated, all numerical data presented in these financial statements are expressed in thousands of Kazakhstan is Tenge (hereinafter referred to as "Tenge").

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

***(ii) Foreign currency transactions and balances***

Foreign currency transactions are translated into the functional currency at the official exchange rates on the dates of the transactions. Exchange differences arising from the settlement of these transactions, as well as from the translation of foreign currency-denominated monetary assets and liabilities at the year-end exchange rates. are recognized in profit or loss for the year.

As of December 31, 2025 the official exchange rate used for the translation of foreign currency balances was KZT 502.57 per 1 US dollar (December 31, 2024: KZT 523.54 per 1 US dollar). Currency exchange controls and regulations apply to the conversion of Tenge into other currencies. Currently, Tenge is not freely convertible outside the Republic of Kazakhstan.

**Property, plant and equipment**

***(i) Recognition and subsequent measurement***

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (where necessary). Construction in progress, intended for future use as property, plant and equipment, is included in property, plant and equipment. Cost comprises the purchase price, including import duties and non-refundable purchases taxes less trade discounts and rebates, and any directly attributable costs of bringing the asset to its working condition for its intended use. The cost of property, plant and equipment constructed or produced by the entity itself includes the cost of materials used, labor performed, and a portion of production overheads.

Subsequent expenditures are recognized in the carrying amount of an asset or as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Costs of minor repairs and day-to-day servicing are expensed as incurred. Costs of replacing major components of property, plant and equipment are capitalized when the component being replaced is retired.

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Property, plant and equipment (continued)**

***(ii) Depreciation***

Depreciation is not charged on land. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost less their residual value evenly over their useful lives, as follows:

| | Useful life (number of years) |
|---|---|
| Buildings and structures | 8 – 98 |
| Machinery and equipment | 3 – 70 |
| Vehicles | 10 – 20 |
| Other | 3 – 20 |

The residual value of an asset is assumed to be zero, as the Company expects to use the asset until the end of its physical life. The residual value of assets and their useful lives are reviewed and, if necessary, adjusted at the end of each reporting period.

***Impairment***

At the end of each reporting period, management assesses whether there is any indication that property, plant and equipment may be impaired. If any such indication exists, management estimates the recoverable amount, which is the greater of the asset's fair value less costs to sell and its value in use. The carrying amount of an asset is reduced to its recoverable amount; an impairment loss is recognised in profit or loss for the year. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). An impairment loss recognised in prior periods for an asset is reversed (if applicable), if there has been a change in the estimates used to determine the asset's value in use or its fair value less costs to sell.

**Financial assets**

Financial assets are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for expected credit losses.

The Company has the following financial assets: cash and cash equivalents, trade and other receivables *(Notes 9, 10)*.

***(i) Trade and other receivables***

Trade and other receivables consist of customer receivables for services rendered.

***(ii) Cash and cash equivalents***

Cash and cash equivalents comprise cash on hand, balances with banks and other short-term highly liquid investments with original maturities of three months or less.

***(iii) Impairment of financial assets***

The Company recognises lifetime expected credit losses for trade and other receivables. Expected credit losses on such financial assets are estimated using a provision matrix that is based on the past credit loss experience of the Company, adjusted for borrower-specific factors, general economic conditions and an assessment of both current and forecast future conditions at reporting date.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Financial assets (continued)**

***(iii) Impairment of financial assets (continued)***

For other financial instruments, the Company recognizes lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition. However, if at the reporting date there has not been a significant increase in credit risk since initial recognition, the Company shall measure the allowance for credit losses on that financial instrument at an amount equal to 12-month expected credit losses.

***(iv) Derecognition policy***

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no likelihood of recovery, for example, when the counterparty is in the case of liquidation or bankruptcy proceedings, or in the case of trade and other receivables, if the amounts are overdue by more than three years (whichever occurs first). However, in respect of written-off financial assets recovery activities may be undertaken in accordance with the Company's recovery procedures, taking into account legal advice as necessary. Any recoveries effected are recognized in profit or loss.

The Company derecognizes a financial liability only when it is extinguished, cancelled or expires.

**Financial liabilities**

Financial liabilities other than loans and borrowings are recognised initially at fair value and in subsequent periods are measured at amortised cost using the effective interest rate method.

Gains and losses on financial liabilities are recognized in profit or loss when derecognized, and also as amortized using the effective interest rate method.

The Company's financial liabilities are represented by trade and other payables, loans and bonds.

***(i) Trade and other payables***

Trade and other payables are accrued upon the fulfillment of contractual obligations by the counterparty and are accounted for at amortized cost using the effective interest rate method. Advances received are recognized at the actual amounts received from third parties.

***(ii) Loans and bonds***

Loans and bonds are initially recognized at fair value less transaction costs, and subsequently at amortized cost using the effective interest rate method.

***(iii) Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are included in the cost of that asset. The Company also capitalizes borrowing costs that could have been avoided if capital expenditure had not been incurred on assets that meet the definition of a qualifying asset.

Other borrowing costs are recognized in profit or loss using the effective interest rate method.

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Financial liabilities (continued)**

***(iii) Borrowing costs (continued)***

Capitalized borrowing costs are calculated based on the Company's average cost of financing (weighted average interest expense applied to qualifying asset expenditures), except when funds are borrowed specifically to acquire a qualifying asset. If this is the case, the actual borrowing costs incurred on that borrowing during the construction period are capitalized, net of any investment income earned on the temporary investment of those borrowed funds. Capitalization of borrowing costs begins on the date when (a) the entity incurs expenditure for the asset for which borrowing costs are being incurred; (b) the entity incurs borrowing costs; and (c) the entity undertakes activities necessary to prepare the asset for its intended use or sale. Capitalization of borrowing costs continues until the date on which substantially all of the activities necessary to prepare the asset for its intended use or sale are completed.

Interest paid excluding that capitalized as part of property, plant and equipment and intangible assets is presented in cash flows from operating activities in the statement of cash flows.

**Income tax**

The amount of current income tax is determined based on taxable profit for the year. Taxable profit differs from profit before tax in the statement of profit or loss and other comprehensive income because of items of income and expenditure that are taxable or deductible in other years and items that are not chargeable to tax or deductible. The amount of current income tax is calculated at rates enacted by legislation at the reporting date.

Deferred income tax is calculated using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Income tax assets and liabilities are offset and presented net only when the entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**Uncertain tax positions**

The Company's uncertain tax positions are assessed by management at the end of each reporting period. Provisions are recognized in respect of uncertain tax positions when management considers that it is probable that an additional tax liability will be incurred if the Company's tax position is challenged by tax authorities and that such liability exceeds the probability of no additional tax liability. Such assessment is made based on the interpretation of tax legislation that is enacted or substantially enacted at the end of the reporting period, and any known court rulings or other decisions on similar matters, provisions for penalties, fines and taxes, other than income tax, are recognized on the best estimate of management of the expenditure required to settle such obligations at the end of the reporting period. Adjustments to uncertain tax positions are reflected as income tax expense.

**Inventories**

Inventories are stated at the lower of cost and net realizable value. When inventories are released to production and otherwise disposed of, their valuation is carried out using the FIFO method. The cost of finished goods and work in progress includes the cost of raw materials and supplies, labor costs for production workers and other direct costs, as well as an appropriate share of production overhead, and does not include borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs to be incurred in selling.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Advances to suppliers**

Advances to suppliers are recognized in the financial statements at the amounts actually paid less provision for impairment. Advances are classified as long-term if the expected period to receive the goods or services to which they relate exceeds one year or if the advances relate to assets that will be recognized as non-current assets upon initial recognition. The amount of advances for the acquisition of assets is included in their carrying amount when the Company obtains control over these assets and it is probable that future economic benefits associated with them will be obtained by the Company. Other advances are written off upon receipt of the goods or services to which they relate. If there is an indication that the assets, goods or services related to the advances will not be received, the carrying amount of the advances is subject to write-off and the corresponding impairment loss is recognized through profit or loss for the year.

**Share capital**

Ordinary shares are classified as equity. Additional costs directly attributable to the issuance of new shares are recognized in equity as a reduction (net of tax) of the proceeds from the issuance. The value of each share and the number of shares in accordance with the law are determined by the decision of the Company's Board of Directors for each individual share issuance. The excess of the fair value of the proceeds received over the nominal value of the issued shares is recognized in equity as additional paid-in capital. Transactions with owners are accounted for in accordance with the requirements of IAS 32 and IAS 1. Changes in share capital are disclosed in the statement of changes in equity showing the movement for each component of equity for the reporting period.

**Dividends**

Dividends are recognized as liabilities and are deducted from equity when they are declared and approved. Information about dividends declared after the reporting date but before the date of approval of the financial statements is disclosed in the note "Events after the reporting date".

**Provisions for liabilities and contingencies**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; an outflow of economic benefits that will be required to settle this obligation is probable, and a reliable estimate can be made of the amount of the obligation. When the Company expects to receive reimbursement for some or all of a provision, for example, from an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to the provision is recognized in profit or loss net of reimbursement.

***Reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities***

Reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities is a present obligation has arisen as a result of a past event and recognised when it is probable than an outflow of cash will be required to settle the provision and the costs can be measured reliably. Ash dump restoration costs include cost of dismantling and demolition of ash dump infrastructure, environmental clean-up and emissions monitoring. Estimated restoration costs are formed and added to the cost of an item of property plant and equipment in the accounting period when the obligation arises from the related particular waste production, based on the net present value of estimated future costs. Asset retirement obligation does not include any additional obligations which are expected to arise from future damage. The costs are estimated on the basis of a restoration plan. The cost estimates are calculated annually during the assets exploitation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of assets exploitation or established terms of the operation activities, and are subject to formal review at regular basis. Although the ultimate cost to be incurred is uncertain, the Company estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques for conducting works on restoration and remediation of waste polygons.

## 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

***Reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities* (continued)**

The amount of amortization or "unwinding" of the discount used in determining the net present value of provisions is charged to profit or loss for the year. Amortization of the discount is recognized as finance cost.

**Employee benefits**

***(i) Other long-term employee benefits***

The Company provides its employees with long-term benefits before at and after retirement in accordance with the provisions of the collective labor agreement. The agreement in particular provides for lump-sum payments on anniversaries material assistance to Company employees in case of disability and in connection with the death of close relatives. The right to receive certain benefits is generally granted depending on the remaining period of service until retirement and the employee's minimum length of service.

Accrual of expected expenses for lump-sum payments is made during the employee's working life using the methodology used for calculating defined benefit pension plans. The Company does not have funded pension schemes. The liability recognized at the end of each reporting period represents the present value of pension obligations. Revaluations arising during the year are recognized in other comprehensive income or profit and loss for the year depending on the type of benefits. For this purpose revaluation includes both the impact of changes in assumptions and the impact of past experience in differences between assumptions and actual data.

The most significant assumptions used in accounting for other long-term employee benefits are the discount rate and the employee turnover assumption. The discount rate is used to determine the net present value of future obligations and each year the unwinding of the discount on such obligations is recognized in profit or loss as a finance cost. The employee turnover assumption is used to forecast the future flow of benefit payments, which is then discounted to arrive at the net present value of the liabilities.

Employee benefits described above are considered other long-term employee benefits. Such liabilities are measured on an annual basis by independent qualified actuaries.

Salaries, pension contributions, social insurance contributions, paid annual leave and sick leave Bonuses and non-monetary benefits are accrued as the corresponding work is performed by the Company's employees. In accordance with the requirements of the RK legislation, the Company on behalf of its employees deducts such pension contributions and transfers them to the unified accumulative pension fund. Upon retirement of employees the Company's financial obligations cease and all payments are made by the unified accumulative pension fund.

**Revenue from contracts with customers**

Revenue from contracts with customers is income arising in the course of the Company's ordinary activities. Revenue from contracts with customers is recognized at the amount of the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring control of promised goods or services to a customer excluding amounts collected on behalf of third parties.

Revenue from contracts with customers is recognized net of VAT.

**Revenue from sale of electricity**

Contracts for electricity sales provide for a single performance obligation, as the promise to sell electricity does not include any other performance obligations. Revenue from electricity sales is recognized over the period as electricity is transferred to the customer at the point of delivery, which is the connection point of the Company's power plant to the electricity transmission networks.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

**Revenue from electricity sales (continued)**

Revenue is determined based on the actual volumes of electricity sold. The amount of revenue is determined based on tariffs approved by the Ministry of Energy of the Republic of Kazakhstan.

No financing component is considered to be present because sales are made on a deferred payment basis for 10 days, which is consistent with market practice.

A receivable is recognized when the electricity is sold at dispatch point to transmission networks of KEGOC JSC or Alatau Zharyk Company JSC, since at this moment the consideration is unconditional as only passage of time is required before the payment is due. The actual volume of electricity sold during the billing period is confirmed by the act on the volumes of electricity supply (output), which is compiled based on data from the system operator. The Company issues invoices on a monthly basis.

**Revenue from sale of heat power**

Revenue from the sale of heat power is recognized at the moment of transfer of control over the heat power, i.e. at the moment heat power is transferred to the customer at the point of delivery, which is the point of connection of the Company’s power plants to the heating networks of the heat distribution entities or consumer based on responsibility for maintenance of network.

Revenue is measured based on the actual volumes of heat power sold. The amount of revenue is determined based on tariffs approved by the Departments of Committee for Regulation of Natural Monopolies under the Ministry of National Economy of the Republic of Kazakhstan for Almaty and Almaty region.

No element of financing is deemed present as the sales are made with a credit terms of 25 days, which is consistent with market practice.

A receivable is recognized when heat power is sold at the point of connection of the Company’s power plants to the heat distribution entities or consumers, since at this moment point the consideration is unconditional as only passage of time is required before the payment is due. The actual volume of heat transferred during the billing period is confirmed by the act on the volumes of heat supply. The Company issues invoices on a monthly basis.

**Revenue from power capacity maintenance services**

The Company also provides service of power capacity maintenance. Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is determined based on actual available power capacity in accordance with monthly reports on power capacity availability from the single purchaser in accordance with the Rules on power capacity market.

The contract provides for payment for one mWt of power capacity per month, and revenue is recognized in the amount to which the Company has the right to invoice. Based on the act signed for the reporting month, the Company issues invoices to customers on a monthly basis.

### 3. NEW ACCOUNTING POLICIES

The accounting principles adopted in preparing the financial statements are consistent with those applied in preparing the Company's annual financial statements for the year ended December 31, 2024 except for new standards and interpretations adopted that become effective on January 1, 2026.

**Standards issued but not yet effective**

Below are new standards, amendments, and interpretations that have been issued but are not yet effective as of the date of issuance of the Company's financial statements. The Company intends to apply these standards Amendments and interpretations, if applicable from their effective date.

### 3. NEW ACCOUNTING POLICIES (continued)

**Standards issued but not yet effective (continued)**

***Amendments to IFRS (IAS) 21 – "Lack of Exchangeability"***

The amendments "Lack of Exchangeability" to IFRS (IAS) 21 "The *Effects of Changes in Foreign Exchange* Rates", which become effective for annual reporting periods beginning on or after January 1, 2025, clarify how an entity should assess whether an exchangeability exists between one currency and another currency and how the current exchange rate should be determined in the absence of exchangeability. The amendments also include disclosure requirements to enable users of financial statements to understand how the lack of exchangeability between two currencies affects or is expected to affect an entity's financial results financial position and cash flows.

The amendments did not have a significant impact on the Company's financial statements.

***IFRS (IFRS) 18 "Presentation and Disclosure in Financial Reporting"***

In April 2024, the IASB published IFRS (IFRS) 18 "Presentation and Disclosure in Financial Reporting", which replaces *IAS (IAS) 1 "Presentation of Financial Statements" IFRS (IFRS) 18 introduces* new requirements aimed at enhancing the comparability of the financial performance of different entities, as well as improving the relevance and transparency of information provided to users of financial statements.

IFRS (IFRS) 18 does not affect the recognition or measurement of items in the financial statements. However, its impact on presentation and disclosure is expected to be significant particularly regarding the statement of profit or loss and the disclosure of management-defined performance measures in the financial statements.

Additionally the statement of profit or loss should present all income and expenses categorized into five categories: operating, investment and financing, income taxes and discontinued operations IFRS (IFRS) 18 also introduces a requirement to present certain summary amounts and subtotals in the statement of profit or loss, as well as enhanced principles for aggregating and disaggregating financial information based on the functions of the primary financial statements and notes.

The Company's management is currently conducting a detailed assessment of the implications of applying IFRS (IFRS) 18 to the Company's financial statements. As a result of the preliminary overall assessment the following potential implications have been identified:

Although the implementation of IFRS (IFRS) 18 will not affect the Company's net profit, the breakdown of revenues and expenses into new categories may affect the calculation and presentation method of operating profit. In particular, gains or losses from foreign currency translation differences will be reflected in the category corresponding to the nature of the items that gave rise to these currency differences, which may lead to a change in their presentation compared to current practice;

The presentation of items in the primary financial statements may change as a result of applying the concept of "useful structured summary data" and enhanced aggregation and disaggregation principles;

The Company does not expect a significant change in the nature of information currently disclosed in the notes to the financial statements; however, the method of grouping and presenting this information may change. Furthermore, IFRS (IFRS) 18 introduces new disclosure requirements, in particular requiring:

- Disclosure of management-defined performance measures;
- Breakdown of expenses by their nature for certain items presented by function in the "Operating activities" category of the statement of profit or loss; and
- For the annual period in which the standard is first applied a reconciliation of amounts presented in accordance with IFRS 18 to amounts previously presented in accordance with IAS 1.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. NEW ACCOUNTING POLICIES (continued)

**Standards issued but not yet effective (continued)**

***IFRS 18 Presentation and Disclosure in Financial Statements (continued)***

From the perspective of the statement of cash flows IFRS 18 eliminates the option to choose the classification of cash flows arising from interest payments. Paid interest will be classified as cash flows from financing activities and received interest as cash flows from investing activities rather than being included in cash flows from operating activities.

IFRS 18 and related amendments to other standards are effective for annual reporting periods beginning on or after January 1, 2027. Early application of the standard is permitted, but the Company does not plan to apply it early IFRS 18 will be applied retrospectively and comparative information for the financial year ending December 31, 2026, will be restated accordingly.

***IFRS 19 Subsidiaries without Public Accountability: Disclosures***

In May 2024 the IASB issued IFRS 19, which allows entities that meet certain criteria to apply simplified disclosure requirements along with the full application of the recognition, measurement and presentation requirements of other IFRS accounting standards. An entity may apply this standard, if at the end of the reporting period it is a subsidiary as defined in IFRS 10 is not publicly accountable and has a parent (ultimate or intermediate) that prepares publicly available consolidated financial statements in accordance with IFRS accounting standards.

IFRS 19 will be effective for reporting periods beginning on or after January 1, 2027. Early application is permitted.

As the Company has financial instruments traded on a market, it does not meet the criteria for applying IFRS 19.

***Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments Amendments***

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 — Amendments to *Classification and Measurement of Financial Instruments.* These amendments:

- Clarify that a financial liability is derecognised at the ‘settlement date’ and allow an accounting policy choice. subject to certain conditions for derecognising financial liabilities that are settled using an electronic payment system before the settlement date;
- Provide additional guidance on how to assess contractual cash flows of financial assets with environmental, social and governance (ESG) and similar characteristics;
- Clarify the meaning of ‘recourse’ for financial assets and the characteristics of contractually linked instruments;
- Introduce disclosure requirements for financial instruments with contingent characteristics and additional disclosure requirements for equity instruments classified as measured at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026, Early application is permitted, but only of those provisions relating to the classification of financial assets and related disclosures. These amendments are not expected to have a significant impact on the Company's financial statements.

## 3. NEW ACCOUNTING POLICIES (continued)

### Standards issued but not yet effective (continued)

### Annual Improvements to IFRS Standards, 2024 Cycle

***«Annual Improvements to IFRS Accounting Standards – Issue 11»***

In July 2024 as part of the planned update of IFRS accounting standards, the IASB issued Annual Improvements. These amendments contain clarifications. Simplifications, Corrections and changes aimed at enhancing the consistency of the following standards: *IFRS 1 First-time Adoption of International Financial* Reporting Standards, *IFRS 7 Financial Instruments: Disclosures* and its accompanying *IFRS 7 Implementation Guidance, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.*

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Early application is permitted provided that this fact is disclosed. These amendments are not expected to have a significant impact on the Company's financial statements.

***Amendments to IFRS 9 and IFRS 7 — Contracts for Purchased or Sold Electricity Generated from Natural Sources***

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 "Contracts for *Purchased or Sold Electricity Generated from Natural Sources". The* amendments apply only to contracts for purchased or sold electricity generated from natural sources. These amendments:

- Clarify how to apply the requirements for 'own use' in the case of contracts within the scope.
- Amend the requirements for defining the hedged item in respect of cash flow hedge accounting in the case of contracts within the scope of these amendments.
- Add new disclosure requirements to enable investors to understand the impact of these contracts on an entity's financial results and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Early application is permitted, provided that this fact is disclosed. Amendments relating to the exclusion of electricity for own use are applied retrospectively, whereas amendments relating to hedge accounting are applied prospectively to hedging relationships designated after the date of initial application of the amendments. In addition, amendments to IFRS 7 relating to disclosures must be applied at the same time as the amendments to IFRS 9. If an entity does not recalculate comparative information, disclosure of comparative information is not permitted.

These amendments are not expected to have a significant impact on the Company's financial statements.

***Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates", relating to Translation into a Presentation Currency, the Economic Environment is Hyperinflationary (issued November 13, 2025)***

These amendments are not expected to have a significant impact on the Company's financial statements.

***Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures (issued August 2025)***

These amendments are not expected to have a significant impact on the Company's financial statements.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Company makes accounting estimates and assumptions that affect the amounts reported in the financial statements and the carrying amounts of assets and liabilities in the next financial year. Accounting estimates and judgments are continuously analyzed and are based on management's past experience and other factors, including expectations of future events that are considered reasonable in the circumstances. In applying the accounting policy, management also uses professional judgments, other than those related to accounting estimates. Professional judgments that have the most significant impact on the amounts reported in the financial statements, and accounting estimates that may lead to a significant adjustment in the carrying amounts of assets and liabilities during the next financial year, include the following:

**Employee Benefits**

The Company's obligations in respect of long-term employee benefits, other than pension plan payments, represent the amount of future benefits that personnel have earned in the current and prior periods. These future benefits are discounted to determine their present value, net of the fair value of any related assets. The discount rate represents the yield at the reporting date on high-quality corporate bonds, the term of which approximates the term of the Company's relevant obligations and which are denominated in the same currency in which the relevant benefits are expected to be paid. Calculations are performed using the projected unit credit method. Management believes that the employee benefit obligations reflected in the financial statements as of December 31, 2025 and 2024 are sufficient and represent management's best estimate of future payments (Note *13).*

**Employee Housing Program**

Under the employee housing program approved on July 10, 2024, the Company acquired residential premises (38 apartments) and transferred them to employees under lease agreements with subsequent purchase, which are classified as finance leases in accordance with IFRS 16. At the commencement date of the lease, the Company derecognized the corresponding assets and recognized a net investment in a finance lease, measured at the present value of future lease payments calculated at the effective rate.

As of December 31, 2025, the net investment in leases amounted to 318,714 thousand tenge. The difference between the nominal amount of contractual payments and their discounted value of 649,738 thousand tenge (long-term portion – 644,855 thousand tenge and short-term portion – 4,883 thousand tenge) is accounted for as a conditional benefit to employees in accordance with IAS 19 in prepaid expenses, with subsequent recognition in personnel expenses throughout the lease term. For the reporting period, the amount of related expenses was 14,669 thousand tenge, interest income from finance leases was 13,694 thousand tenge, and the principal repayment on finance lease agreements was 910 thousand tenge.

**Useful lives of property, plant and equipment**

The useful lives of property, plant and equipment were estimated using professional judgment based on experience with similar assets. The future economic benefits associated with these assets will primarily derive from their use. However, other factors, such as obsolescence from a technological or commercial perspective, as well as equipment wear and tear, often lead to a reduction in the economic benefits associated with these assets. Management estimates the remaining useful life of property, plant and equipment based on the current technical condition of the assets and taking into account the estimated period during which these assets will generate economic benefits for the Company. The following key factors are considered: (a) the expected useful life of the assets; (b) depreciation of the equipment, which depends on operating characteristics and maintenance schedules; and (c) the obsolescence of equipment from a technological and commercial perspective as a result of changes in market conditions.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Ash dumps: accounting for components of basis**

Ash and slag waste is generated during the production of electricity and heat energy at the thermal power plant. The Company uses a combined ash and slag removal system, which includes the use of hydraulic and bulk (dry) ash ponds. Hydraulic ash ponds consist of two tanks and associated infrastructure and are accounted for as separate items of property, plant and equipment.

During the operation of hydraulic ash ponds, the free capacity for storing ash and slag waste gradually decreases, necessitating periodic restoration of the operational capacity of individual tanks. The complex of measures for such restoration includes the removal and transportation of ash from hydraulic ash ponds to bulk ash ponds for subsequent disposal.

Costs associated with these works are capitalized only to the extent that they result in the restoration of the operational capacity and volume of a specific hydraulic ash pond tank and meet the criteria for a major repair as understood by IFRS (IAS) 16. Accounting is performed using the component approach: the carrying amount of a previously recognized component (or costs of previous cleaning) is derecognized and new costs are recognized as property, plant and equipment and depreciated over the period until the next scheduled cleaning of the respective tank.

Costs that do not result in the restoration of the operational capacity of the assets and are of a current maintenance or environmental remediation nature are recognized as expenses in the reporting period as they are incurred.

The useful life of costs for cleaning hydraulic ash ponds is determined by the period of operation of the restored tank until the next scheduled cleaning based on the technological and production parameters of the station, the volumes of coal burned and the approved schedule for the utilization of the basins over which the economic benefits from the asset are consumed.

**Provisions for obligations for the restoration of the ash dump site**

In accordance with environmental legislation, the Company has a legal obligation to restore ash pond sites, which are waste disposal sites for the Company's operational activities. Provisions are formed based on the net present value of reclamation costs as the obligation arises from past operating activities.

Provisions for ash pond reclamation are determined based on the Company's interpretation of the current environmental legislation of the Republic of Kazakhstan supported by feasibility studies and engineering surveys in accordance with current standards and methods for reclamation and remediation activities. The provision is estimated based on current legal and design requirements, technology levels and prices. Since actual reclamation costs may differ from their estimates due to changes in environmental requirements and interpretations of legislation, technologies, prices, and other conditions and these costs will be incurred in the distant future, the carrying amount of the provision is regularly reviewed and adjusted to reflect such changes.

Significant judgments in making these estimates include the estimation of the discount rate and the periods of cash flows. The discount rate is applied to the nominal value of the work that management expects to spend on reclaiming the site in the future increased by the inflation rate. Accordingly, management's accounting estimates made at current prices are increased using the projected long-term inflation rate in Kazakhstan (2025: 5.84%-11.65%; 2024: 7.05%-8.69%) and subsequently discounted based on the discount rate. The discount rate reflects current market assessments of the time value of money, as well as risks associated with the liabilities that were not accounted for in the best estimates of costs (2025: 14.07% - 15.64%; 2024: 11.50% - 13.17%).

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Provisions for decommissioning, dismantling, and site restoration obligations for production assets**

The Company's management has conducted an analysis regarding the existence and necessity of recognizing liabilities for the decommissioning, dismantling and restoration of the sites of the Company's production assets.

In particular, the Company's management has analyzed the requirements of the Environmental Code of the Republic of Kazakhstan, which stipulate that after ceasing operations of facilities that have a negative impact on the environment the operators of these facilities are obliged to ensure the elimination of the consequences of their operation in accordance with the requirements of the legislation of the Republic of Kazakhstan. In accordance with the provisions of the Environmental Code, liquidation measures depend on the nature of the facilities and the degree of their impact on the environment; in particular, the Code regulates the classification of facilities by categories reflecting the degree of environmental impact.

The Company has analyzed the requirements, received relevant clarifications from government bodies determined the approach and measurement method and based on the Company's interpretation in accordance with the norms of the Environmental Code of the Republic of Kazakhstan, the legislation in the field of electric power of the Republic of Kazakhstan, as well as the Company's accounting policy, recognized provisions for liabilities to ensure the elimination of the consequences of facility operations as of December 31, 2025.

Provisions are determined based on the Company's interpretation of the current environmental legislation of the Republic of Kazakhstan supported by feasibility studies and/or engineering surveys in accordance with current standards and methods for liquidation (dismantling), reclamation activities, technology levels and prices.

The following approaches and judgments were applied by the Company in determining the amount of the liability for the elimination of the consequences of facility operations as of December 31, 2025:

- The calculation of liabilities for the elimination of the consequences of facility operations was performed by the Company based on the results of assessments conducted by independent or internal specialists. The scope of work stipulated by legislation and included in the calculation included the dismantling and disposal of main equipment and mechanisms directly involved in the production of electric and thermal energy (steam boilers, turbines, generators, fuel supply, etc.) engineering systems and structures designed to discharge combustion products, as well as fuel oil storage and chemical reagent storage equipment that negatively affects the environment and the safety of life and/or human health;
- For thermal power plants categorized as Category I facilities the reserve amount shall be determined based on the expected expenditures incurred for the decommissioning of primary equipment and mechanisms directly involved in the generation of electrical and thermal energy (steam boilers, turbines, generators, fuel handling systems, etc.) engineering systems and structures designed for flue gas discharge, as well as fuel oil storage equipment and chemical reagent storage facilities that demonstrably have a negative environmental impact.
- The decommissioning timelines for CHP-2 and CHP-3 facilities were applied considering the implementation. Commissioning and technical parameters of the projects " Modernization of the Almaty CHP-2 with the minimization of the environmental impact " and " Reconstruction of the Almaty CHP-3", as well as warranty periods.
- During the reporting year, the Company continued to revise the assessment of the decommissioning obligation for CHP-3 facilities taking into account updated design assumptions and adopted technical solutions. Previously, the obligation assessment was based on a simplified dismantling method, permissible under the requirements of the Ecological Code using rates from section ABC-4 " Repair of Energy Equipment ". Within the framework of further development of the "Reconstruction of Almaty CHP -3" project the dismantling of existing facilities was separated into an independent phase and postponed to later dates not coinciding in time with the construction of new facilities.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Provisions for decommissioning, dismantling and site remediation obligations for production assets (continued)**

Due to the change in approach the corresponding expenditures do not meet the capitalization criteria in accordance with IFRS (IAS) 16 and are recognized as provisions in accordance with IFRS (IAS) 37. In the reporting year the list of fixed assets subject to decommissioning was also updated and key assumptions used in estimating the obligation including the useful lives of assets were revised. These changes resulted in an updated assessment of the decommissioning obligation for CHP-3 facilities.

The Company's management regularly reviews significant estimation assumptions and professional judgments regarding this obligation as new information becomes available and project parameters are further refined:

- The Company utilized the actual useful lives as the conditions for the decommissioning of CHP-1 facilities. For the project "Expansion of CHP-1 with construction of a 200-250 MW Gas Turbine Unit", a decision was made to adjust the feasibility study due to optimization of the estimated cost and ensuring the return on investment.

The Company's management received a decision classifying hydroelectric power plants as Category II facilities. A hydroelectric power plant, as a strategic complex structure, is an integral component of a hydraulic engineering complex, directly intended for irrigation and flood control. Consequently, no reserve for decommissioning resulting from the operation of the primary structure and equipment was calculated; the reserve calculation includes facilities that have a negative environmental impact: oil handling facilities and sewage networks and their equipment.

Based on the foregoing the estimated future expenditures for decommissioning are determined at current prices, increased by the projected long-term inflation rate for the Republic of Kazakhstan and discounted.

Key assumptions in performing such estimates include the assessment of the discount rate and the amount and timing of future cash flows. The discount rate is based on the risk-free rate defined as the yield on government bonds with maturity dates coinciding with the facility decommissioning periods.

| *In thousands of Tenge* | **Liquidation term** | **Cost of the liquidation provision as of December 31, 2025** |
|---|---|---|
| Almaty Electric Stations JSC | 2026-2066 | **23,811,873** |
| including: | | |
| CHP-1 named after B. Orazbayev | 2026-2065 | **972,050** |
| CHP-2 named after A. Zhakutov | 2026-2029 | **8,455,759** |
| CHP-3 | 2026-2029 | **13,994,680** |
| Kapchagay HPP named after Sh. Chokin | 2059 | **133,245** |
| Cascade of HPPs | 2062 | **63,020** |
| ZTK | 2066 | **93,038** |
| PRP Energoresurs | 2045 | **100,081** |

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Sensitivity Analysis**

| *In thousands of Tenge* | (Decrease)/increase in significant assumptions | (Decrease)/increase in provision for decommissioning of facilities |
|---|---|---|
| Inflation rates | -1% | (980,258) |
| | +1% | 1,112,123 |
| Discount rates | -1% | 1,128,354 |
| | +1% | (992,754) |
| Liquidation Period | -10% | 1,801,269 |
| | +10% | (1,514,585) |
| including: | | |
| CHP-1 named after B. Orazbayev | -10% | 253,323 |
| | +10% | (173,905) |
| CHP-2 named after A. Zhakutov | -10% | 560,491 |
| | +10% | (471,404) |
| CHP-3 | -10% | 782,579 |
| | +10% | (737,817) |
| Sh. Chokin Kapchagay HPP | -10% | 73,597 |
| | +10% | (47,410) |
| HPP Cascade | -10% | 38,134 |
| | +10% | (23,758) |
| ZTK | -10% | 64,785 |
| | +10% | (38,191) |
| PRP Energoremont | -10% | 28,362 |
| | +10% | (22,099) |

As actual decommissioning expenditures may differ from estimates due to changes in relevant legislation, interpretation of regulations, technologies, prices, and other conditions and as these expenditures will be incurred in the distant future the carrying amount of provisions is subject to regular analysis and adjustment to account for such changes.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Analysis of Impairment Indicators of Fixed Assets**

The Company's management conducted an analysis of impairment indicators for the fixed assets of the Company in accordance with IFRS 36 *"Impairment of* Assets."

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

- Absence of negative changes in the economic efficiency of the company during the reporting period;
- Projected growth in demand for electricity in the southern zone of the Republic of Kazakhstan in the medium term;
- Increase in maximum electricity tariffs for power-generating organizations (hereinafter - PGO) from February 1, 2025 in accordance with Order of the Minister of Energy of the Republic of Kazakhstan dated January 27, 2025 № 42-NQ "On amendments to the Order of the Minister of Energy of the Republic of Kazakhstan dated December 14, 2018 № 514 'On approval of cap tariffs for electrical energy ", with the possibility of tariff adjustment upon increase of basic costs, in accordance with the Rules for Approval of the Cap Tariff for Electric Energy and the Cap Tariff for the Service of Maintaining Electrical Capacity Readiness approved by Order of the Minister of Energy of the Republic of Kazakhstan dated February 27, 2015, № 147.
- Increase in maximum tariffs for the service of maintaining electrical capacity readiness from January 1, 2025 in accordance with Order of the Minister of Energy of the Republic of Kazakhstan dated November 19, 2024 № 407 "On Amending the Order of the Minister of Energy of the Republic of Kazakhstan dated July 3, 2015 № 465 'On Approval of Cap Tariffs for the Service of Maintaining Electrical Capacity Readiness'" an inflation coefficient was taken into account for the period from 2016 to 2022 to ensure the industry's investment attractiveness and attract additional investments for capital repairs of Kazakhstan's power plants due to the increased frequency of emergency repairs.
- Increase in the thermal energy tariff from September 5, 2025 in accordance with the joint order of the Department of Regulation of Natural Monopolies and Environmental Regulation of the Ministry of National Economy of the Republic of Kazakhstan for the city of Almaty № 92-NQ and for Almaty region № 116-OD with the possibility of tariff adjustment upon change in the type and cost of strategic goods, in accordance with the Law of the Republic of Kazakhstan "On Natural Monopolies."
- Modernization of two main power plants of ALES is planned. The residual value of the existing assets of the coal-fired power units of these plants subject to conservation or dismantling will be zero by the time new gas turbine/combined cycle power units are commissioned.
- Absence of significant changes with adverse consequences for the Company, which have occurred during the period or are likely to occur in the near future.

In accordance with the requirements of IAS 36 an analysis of indicators of impairment of fixed assets was carried out at the level of the cash-generating unit (CGU). The Company is considered as one CGU as fixed assets are used within a single technological process, Accordingly, the lowest level at which independent cash flows can be identified for impairment testing purposes is the Company as a whole.

As a result of the analysis of external and internal indicators of impairment, the Company's management concluded that there are no indicators of impairment as of the reporting date. Accordingly, the Company's management decided not to conduct an impairment test of the Company's fixed assets and intangible assets as of December 31, 2025, and 2024.

**Modernization of the Almaty CHP-2 with the minimization of the environmental impact**

The project " Modernization of the Almaty CHP-2 with the minimization of the environmental impact " (hereinafter - the Project) is being implemented within the framework of execution of the instructions of the Head of State in accordance with the Roadmap approved by the First Deputy Prime Minister of the Republic of Kazakhstan Sklyar R.V.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Modernization of the Almaty CHP-2 with the minimization of the environmental impact (continued).**

As of December 31, 2021 the Company's management received a positive conclusion from the Republican State Enterprise "Gosexpertiza" on the feasibility study (hereinafter "FS") for the modernization project of CHP-2 with minimization of environmental impact including the option of constructing a new gas-fired power plant with a capacity of up to 600 MW on the site of Almaty CHP-2 and conserving the operating coal-fired power units of CHP-2 after the commissioning of the new gas-fired power plant. In this regard the carrying amount of assets and the useful lives of the corresponding assets were revised. According to management's estimates, the residual value of the existing assets of CHP-2, subject to conservation will be zero by the time the new gas turbine power units are commissioned.

On June 30, 2022 the Head of State signed a number of amendments to the Law "On Electric Power Industry" and the Law "On Natural Monopolies", ensuring the receipt of an individual tariff for the Project, as well as allowing for changes to the approved tariff (for) upon changes in fuel type and investment program. These amendments allow for the return of all invested investments, as prior to the introduction of these amendments, the individual tariff did not include costs for equipment generating thermal energy.

To organize the financing of the project, the Company concluded Loan Agreements with the European Bank for Reconstruction and Development (EBRD) on November 25, 2022 with the Development Bank of Kazakhstan (DBK) on June 6, 2023 and with the Asian Development Bank (ADB) on June 9, 2023.

To implement the Project based on the results of a tender on the EBRD procurement platform on May 31, 2023 an EPC Contract was signed with a Consortium comprising "DONGFANG ELECTRIC INTERNATIONAL CORPORATION", "POWERCHINA SEPCO1 ELECTRIC POWER CONSTRUCTION CO., LTD" and "POWERCHINA HEBEI ELECTRIC POWER ENGINEERING CO., LTD" (hereinafter the "EPC Contract").

Within the framework of the Project implementation the mobilization advance under the EPC contract was paid *(Note 7);* on July 6, 2023 the Engineer issued a notice to commence work under the EPC Contract. Work is being carried out under the EPC contract to complete the Project by December 31, 2026.

On September 27, 2024 the revised feasibility study was finalized and received a positive conclusion from the RSE "Gosexpertiza."

On December 31, 2024. Investment Agreement № 52 was signed for the modernization, reconstruction and/or expansion with the construction of generating units using gas as an alternative fuel type for JSC "Almaty Electric Stations" for the period 2024-2038. This agreement allows for the return of all invested investments through the capacity market mechanism.

On October 6, 2025 a positive conclusion was received from the RSE "Gosexpertiza" (stage "Project") for the project.

**Status of work performed**

As of December 31, 2024, the Company decided to capitalize the cost of equipment shipped for CHP-2 under the EPC contract, in the amount of 18,574,198 thousand tenge.

Furthermore, as of December 31, 2024, the cost of unfinished equipment for CHP-2 in the amount of 23,412,629 thousand tenge had been capitalized.

In 2025, the Company capitalized the cost of equipment shipped for CHP-2 under the EPC contract in the amount of 96,312,272 thousand tenge.

In 2025 the cost of unfinished equipment for CHP-2 in the amount of 20,415,110 thousand Tenge was capitalized.

The amount of unfinished equipment was estimated based on the percentage of work completed, as indicated in the weekly equipment status reports provided by the EPC contractor. Prices were determined in accordance with the price schedule attached to the EPC contract.

Currently, the majority of the equipment has been delivered to the site, the remaining portion is in temporary storage warehouses and some items are enroute within Kazakhstan. Deliveries of main equipment are proceeding in strict accordance with the EPC contract schedule and active installation works are underway for certain items.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Modernization of the Almaty CHP-2 with the minimization of the environmental impact (continued)**

**Status of work performed (continued)**

In 2024 construction and installation works performed under the EPC contract, in the amount of 7,345,497 thousand tenge were capitalized.

In 2025 construction and installation works performed under the EPC contract in the amount of 53,949,063 thousand tenge were capitalized. The valuation of the corresponding liabilities was carried out based on the price schedule stipulated in the EPC contract.

Capitalization was carried out in accordance with the requirements of IFRS (IAS) *16 'Property, Plant* and Equipment', as the costs relate to preparing the asset for its intended use, there is a high probability of future economic benefits, and the costs can be reliably measured.

In cases where an asset is constructed under a long-term EPC contract, the costs of asset construction are capitalized to work-in-progress based on the percentage of completion.

**Insurance**

On March 29, 2024 an insurance contract for construction and installation risks and project cargo, including delay in commissioning (start-up) and third-party civil liability for damages was signed. Under this contract the insurance premium was paid in two equal installments on April 30 and September 12, 2024 for a total amount of 7,218,332 thousand tenge.

On December 9, 2024 an addendum to the insurance contract for construction and installation risks and project cargo, including delay in commissioning (start-up) and third-party civil liability for damages was signed On December 27, 2024 an insurance premium of 3,170,435 thousand tenge was paid in accordance with the terms of the insurance contract.

These insurance expenses are mandatory, as they are required by investor banks and are considered an integral part of project costs that cannot be avoided. In accordance with IFRS specifically IFRS (IAS) 16 'Property, Plant and Equipment', *the total insurance* premium amount of 10,388,767 thousand tenge was capitalized and included in the cost of the Almaty CHP-2 modernization project.

The capitalization of the insurance premium is due to its direct link to bringing the asset to a ready state, as well as protection against financial losses that could affect the future economic benefits of the project.

**Reconstruction of Almaty CHP-3**

In order to fulfill the directives given by the Head of State, the Company has developed a feasibility study for "Reconstruction of Almaty CHP-3 (with the construction of a gas turbine plant with a capacity of at least 450 MW)", Project implementation period: 2022-2026. Project goal: The reconstruction of Almaty CHP-3 envisages the replacement of existing coal-fired equipment with modern environmentally friendly combined cycle power units, the construction on the existing site of a new, higher capacity CHP plant with a flexible operating mode, to partially cover the deficit of flexible capacities in the Southern Zone of Kazakhstan.

To organize financing, underwriter SkyBridge Invest was engaged for the registration of the bond program and work is underway with the Eurasian Development Bank upon approval of the bond issuance by the Bank's Board of Directors (a joint project implementation agreement with the EDB was signed on November 30, 2023). A supplementary agreement was also signed with Halyk Bank of Kazakhstan to increase the Limit-3 loan by KZT 135 billion.

On September 8, 2023 a Contract (hereinafter the "EPC Contract") was signed with a Consortium comprising KBI Energy LLP in conjunction with Energo Spets Stroy LLP, StandartEnergo KZ LLP, and STROYINDUSTRIYA LLP (hereinafter the "EPC Contractor") and an advance payment of 15% of the contract amount of KZT 38,545,229 thousand was made to the EPC Contractor.

On November 9, 2023 a Reservation Agreement (hereinafter SRA) was concluded with Ansaldo Energia for the supply of main gas turbine equipment by the EPC Contractor.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Reconstruction of Almaty CHP-3 (continued)**

On January 9, 2025 an agreement was signed with RGP "Gosexpertiza" for comprehensive non-departmental state expert review. On February 17, 2025 reasoned comments were issued by Gosexpertiza. On March 7, 2025 responses to the reasoned comments were uploaded to Gosexpertiza.

On April 10, 2025 a negative conclusion was received from RGP "Gosexpertiza" regarding the "design stage" of the Almaty CHP-3 project's project and estimate documentation. The primary reason for the negative conclusion was the non-application of codes from the List of construction structures, items and construction materials AG SK-3 for engineering equipment (Clause 5.13 SN RK 1.02-03-2022).

On October 21, 2025 an agreement was signed with RGP "Gosexpertiza" for comprehensive non-departmental state expert review.

On December 26, 2025 Ansaldo Gas Turbine No. 1 with two generators was delivered to the Almaty CHP-3 construction site.

The reconstruction project of Almaty CHP-3 envisages the replacement of existing equipment whose operational life will be exhausted by the commissioning of the new plant with modern environmentally friendly combined cycle power units. Considering this, the useful service lives of Almaty CHP-3 fixed assets have been revised using accelerated depreciation. According to management's estimates the residual value of existing Almaty CHP-3 assets scheduled for replacement will be zero by the commissioning of the new combined cycle power units.

**Status of work performed**

Construction and installation works for Almaty CHP-3 under the EPC contract, amounting to 2,212,400 thousand tenge performed in 2024 were capitalized.

Construction and installation works for Almaty CHP-3 under the EPC contract, amounting to 15,080,737 thousand tenge performed in 2025 were capitalized as part of work in progress. The assessment of liabilities was based on project and estimate documentation.

Additionally, in 2024 the cost of unfinished equipment for Almaty CHP-3 in the amount of 22,135,105 thousand tenge was capitalized.

In 2025 the cost of unfinished equipment for Almaty CHP-3 in the amount of 39,373,417 thousand tenge was capitalized. The cost of unfinished equipment was recognized in accordance with the percentage of work completion indicated in the progress table provided by the EPC contractor. Prices were determined based on approved price lists and commercial offers related to the project.

Capitalization was carried out in accordance with the requirements of IFRS (IAS) 16 *"Property, Plant and* Equipment." as the costs relate to preparing the asset for its intended use, there is a high probability of future economic benefits being generated and the costs can be reliably measured.

In cases where an asset is constructed under a long-term EPC contract and the asset has no alternative use for the contractor and the terms of the EPC contract grant the contractor the right to receive payment for work actually performed even upon contract termination, the costs of constructing the asset are capitalized.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Status of work performed (continued)**

**Insurance**

On July 16, 2025 a construction and installation risks and project cargo insurance agreement was concluded including delay in commissioning and third-party liability with JSC "Subsidiary Organization of Kazakstan Halk Bank "Halyk Insurance Company". Within the framework of this agreement, the insurance premium was paid in two equal installments on July 30 and September 30, 2025 for a total amount of 9,895,687 thousand tenge.

These insurance expenses are mandatory as they are required by investor banks and are considered an integral part of project costs that cannot be avoided. In accordance with IFRS specifically IAS 23 "Borrowing Costs" *and IAS 16 "Property,* Plant and Equipment," *the total insurance* premium of 9,895,687 thousand tenge was capitalized and included in the cost of the Reconstruction of Almaty CHP-3 project.

The capitalization of the insurance premium is due to its direct link to bringing the asset to a ready state, as well as protection against financial losses that may affect the future economic benefits of the project.

**Segment Information**

***Operating Segments***

The functions of the highest operational management body are performed by the Company's Board of Directors. The Board of Directors analyzes the financial results of the activity makes decisions on resource allocation, and assesses the Company's performance.

Maximum electricity tariffs are regulated by the Ministry of Energy of the Republic of Kazakhstan and tariffs in the natural monopoly sphere are regulated by the Department of the Committee for the Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the city of Almaty.

The Company's Board of Directors is regularly provided with management reports, including:

- Report on the execution of the tariff estimate;
- Operational financial statements on the Company's performance results.

The key performance indicators analyzed by the Company's Board of Directors are:

- Revenue;
- Profit.

The Company is engaged in the core business of producing electrical energy, thermal energy, chemically purified water, as well as services for maintaining electrical capacity readiness. The production of electrical and thermal energy is carried out mainly at combined heat and power plants (CHPs) within a single technologically integrated process of combined generation. The production of electrical energy at CHPs is technologically dependent on the production of thermal energy. The assets involved in the generation process are common and do not form independent cash flows.

Internal management decisions on resource allocation and performance evaluation are made by the Company's Board of Directors at the Company level as a whole.

## 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)

**Segment Information (continued)**

***Operating Segments (continued)***

Based on the criteria of IFRS 8, the Company has identified one operating segment, which is an integrated energy production business (electricity and thermal energy). Financial information for one operating segment is provided to the Company's Board of Directors. The analysis of assets and liabilities is carried out at the Company level as a whole.

The indicators presented to the Company's Board of Directors are formed based on the financial statements prepared in accordance with IFRS. Management indicators do not differ from the financial statement indicators, therefore, reconciliation between segment and financial information is not presented.

All of the Company's revenue was derived within the Republic of Kazakhstan.

The main customers of the Company include:

- Financial Settlement Center for Renewable Energy Sources LLP (FSC);
- Almaty Heating Networks LLP.

## 5. TRANSACTIONS AND OPERATIONS WITH RELATED PARTIES

The definition of related parties is provided in *IAS 24 "Disclosures of Related Party* Transactions", Parties are generally considered related if one party has the ability to control the other is under common control or can exert significant influence or joint control over the other party's financial and operational decision-making. When determining whether parties are related, the nature of the relationship between the parties is taken into account not just their legal form. The parent company and the ultimate controlling party of the Company are disclosed in *Note 1*.

Related parties include companies under the control of Samruk-Kazyna. The State exercises ultimate control over the Company, Balances and transactions with Kaztemirtrans JSC, QAZAQGAZ AIMAQ JSC, SSAP LLP, KTZ-Cargo transportation LLP, Bogatyr Komir LLP, Kazakhtelecom JSC, Kazpost JSC, Service Center Branch LLP ESC, Main Computing Center of NC KTZ were disclosed as part of organizations under the control of Samruk-Kazyna.

The Company procures and supplies goods to a large number of state-owned organizations. Tax settlements, which are disclosed in Note 20 are also considered transactions with the state.

Balances and transactions with the state municipal enterprise Almaty SU Holding, Almaty Thermal Networks LLP (hereinafter "AlTS"), Financial Settlement Center for Renewable Energy Sources LLP (FSC), Kazakhstan Electricity and Capacity Market Operator JSC (KOREM JSC), Development Bank of Kazakhstan JSC were disclosed as part of organizations under the control of the state.

The nature of the relationships with those related parties with whom the Company carried out significant operations or has significant outstanding balances as of December 31, 2025 and 2024 is presented below.

The following are the outstanding balances for transactions with related parties as of December 31, 2025:

| *In thousands of Kazakhstan Tenge* | Companies under common control Samruk-Kazyna JSC | Key management personnel | Parent company | State-controlled organizations |
|---|---|---|---|---|
| Trade and other receivables | **1,239,212** | **–** | **–** | **27,247,431** |
| Trade and other payables | **5,362,055** | **9,240** | **–** | **860,333** |
| Loans and issued bonds | **–** | **–** | **26,412,089** | **54,936,841** |

## 5. TRANSACTIONS AND OPERATIONS WITH RELATED PARTIES (continued)

The following are the outstanding balances for transactions with related parties as of December 31, 2024:

| *In thousands of Kazakhstani Tenge* | Companies under common control Samruk-Kazyna JSC | Key management personnel | Parent company | State-controlled organizations |
|---|---|---|---|---|
| Trade and other receivables | 806,660 | – | – | 18,298,109 |
| Trade and other payables | 4,561,718 | 3,946 | – | 1,059,107 |

**Borrowings and bonds issued**

Under the agreement for opening a reverse credit line with Samruk-Energy JSC , during the year ended December 31, 2025, the Company received borrowings in the amount of 12,550,000 thousand tenge (2024: 5,350,000 thousand tenge) and repaid loan debt in the amount of 4,900,000 thousand tenge (2024: 5,350,000 thousand tenge) *(Note 14)*.

As part of financing the investment project "Modernization of Almaty CHP-2 with Minimization of Environmental Impact", equity funds were raised through the issuance of bonds in the amount of 18,076,908 thousand tenge, with Samruk-Energy JSC acting as the purchaser *(Note 14)*.

The following are the financial reporting items for transactions with related parties for 2025:

| *In thousands of Kazakhstani Tenge* | Companies under common control of Samruk-Kazyna JSC | Key management personnel | Parent Company | State-controlled organizations |
|---|---|---|---|---|
| Revenue from agreements with customers | **–** | **–** | **–** | **139,089,873** |
| Other operating income and expenses | **18,040** | **–** | **–** | **(37,400)** |
| Cost of sales | **(50,340,095)** | **–** | **–** | **(8,260,511)** |
| General and administrative expenses | **(85,341)** | **(266,298)** | **–** | **(11,764)** |
| Finance costs | **(20,544)** | **–** | **(296,135)** | **–** |
| Capitalized borrowing costs | **–** | **–** | **(398,561)** | **(61,806)** |
| Share capital increase | **–** | **–** | **11,454,234** | **–** |

Revenue from agreements with customers includes revenue from the sale of electricity, heat energy, services for maintaining electrical capacity readiness and sales of chemical water.

Cost of sales includes freight forwarding services, purchase of natural gas and coal, electricity dispatching and balancing, water supply and other services.

General and administrative expenses include the organization of electronic procurement, communication services, postal and courier services. IT infrastructure management and other expenses.

## 5. TRANSACTIONS AND OPERATIONS WITH RELATED PARTIES (continued)

**Borrowings (continued)**

The following are the income and expense items for transactions with related parties for the year ended December 31, 2024:

| *In thousands of Kazakhstani Tenge* | Companies under common control of Samruk-Kazyna JSC | Key management personnel | Parent Company | State-controlled organizations |
|---|---|---|---|---|
| Revenue from contracts with customers | – | – | – | 125,074,788 |
| Other operating income and expenses | 37,766 | – | – | (8,662) |
| Cost of sales | (41,007,514) | – | – | (6,721,636) |
| General and administrative expenses | (156,777) | (298,095) | – | (8,926) |
| Finance costs | (7,479) | – | – | – |
| Capitalised borrowing costs | – | – | 43,853 | – |

Revenue from contracts with customers includes revenue from the sale of electricity, thermal energy, services for maintaining generating capacity readiness and sales of chemical water.

Cost of sales includes freight forwarding services, purchase of natural gas and coal, electricity dispatching and balancing, water supply and other services.

General and administrative expenses include electronic procurement organization, communication services, postal and courier services, IT infrastructure management and others.

Key management personnel remuneration represents salaries and bonuses. Key management personnel as of December 31, 2025, consists of 6 individuals (December 31, 2024: 5 individuals).

The following are other rights and obligations from transactions with related parties as of December 31, 2025:

| *In thousands of Kazakhstan Tenge* | Companies under the common control of Samruk-Kazyna JSC | Key management personnel | Parent Company | State-controlled entities |
|---|---|---|---|---|
| Contractual obligations for the purchase of goods and services | **7,482,025** | **–** | **–** | **5,129,231** |
| Contractual obligations for the supply of goods and services | **–** | **–** | **–** | **136,416,450** |

The following are other rights and obligations from transactions with related parties as of December 31, 2024:

| *In thousands of Kazakhstan Tenge* | Companies under the common control of Samruk-Kazyna JSC | Key management personnel | Parent Company | State-controlled organizations |
|---|---|---|---|---|
| Contractual obligations for the procurement of goods and services | 26,998,676 | – | – | 2,159,214 |
| Contractual obligations for the supply of goods and services | – | – | – | 110,642,406 |

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Below are the changes in the carrying amount of property, plant and equipment:

| *In thousands of Kazakhstan Tenge* | | Buildings and structures | Machinery and equipment | Transport vehicles | Other | Construction in progress | Total |
|---|---|---|---|---|---|---|---|
| **Cost as of January 1, 2024** | | 76,921,282 | 96,920,457 | 2,693,649 | 3,072,886 | 7,455,874 | 187,064,148 |
| Income | | – | – | 4,629 | 261,876 | 103,938,668 | 104,205,173 |
| Change in the valuation of the reserve for ash dump restoration and remediation of the consequences of facility operation | 12 | 352,100 | 1,084,133 | – | – | – | 1,436,233 |
| Internal transfers | | 9,843,241 | 7,268,849 | 618,210 | 242,554 | (17,972,854) | – |
| Disposals | | (138,977) | (500,082) | (70,457) | (64,756) | (750) | (775,022) |
| Transfer from inventory | | (86) | 1,995 | – | – | 1,080,170 | 1,082,079 |
| Transfer to assets held for sale | | (27,948) | – | (427) | – | – | (28,375) |
| **Cost as of December 31, 2024** | | 86,949,612 | 104,775,352 | 3,245,604 | 3,512,560 | 94,501,108 | 292,984,236 |
| Receipts | | **–** | **864** | **–** | **–** | **272,978,951** | **272,979,815** |
| Change in the valuation of the reserve for ash dump restoration and decommissioning of operational facilities | 12 | **3,007,342** | **5,668,312** | **–** | **(260,751)** | **76,861** | **8,491,764** |
| Internal transfers | | **2,104,345** | **11,297,811** | **1,207,479** | **1,366,187** | **(15,975,822)** | **–** |
| Disposals | | **(3,417)** | **(879,679)** | **(13,970)** | **(659,039)** | **–** | **(1,556,105)** |
| Transfer from inventory | | **507** | **(4,596)** | **–** | **65** | **1,429,677** | **1,425,653** |
| **Cost as of December 31, 2025** | | **92,058,389** | **120,858,064** | **4,439,113** | **3,959,022** | **353,010,775** | **574,325,363** |
| **Depreciation and impairment** | | | | | | | |
| **As of January 1, 2024** | | 51,550,383 | 58,588,621 | 1,234,911 | 1,133,208 | 349,456 | 112,856,579 |
| Depreciation expense for the year | | 4,833,417 | 8,044,956 | 256,808 | 275,478 | – | 13,410,659 |
| Accumulated depreciation of disposals | | (101,014) | (437,364) | (57,529) | (46,408) | – | (642,315) |
| Internal transfers | | 58,947 | (20,745) | 34,181 | 5,816 | (78,199) | – |
| **As of December 31, 2024** | | 56,341,733 | 66,175,468 | 1,468,371 | 1,368,094 | 271,257 | 125,624,923 |
| Depreciation expense for the year | | **6,592,116** | **10,871,935** | **297,579** | **208,295** | **–** | **17,969,925** |
| Impairment charge | | **–** | **–** | **–** | **–** | **15,993** | **15,993** |
| Impairment/depreciation of disposals | | **(164)** | **(769,091)** | **(8,465)** | **(384,595)** | **(20)** | **(1,162,335)** |
| Internal transfers | | **–** | **15,689** | **–** | **(539)** | **(15,150)** | **–** |
| **As of December 31, 2025** | | **62,933,685** | **76,294,001** | **1,757,485** | **1,191,255** | **272,080** | **142,448,506** |
| **Net book value** | | | | | | | |
| **As of January 1, 2024** | | 25,370,899 | 38,331,836 | 1,458,738 | 1,939,678 | 7,106,418 | 74,207,569 |
| **As of December 31, 2024** | | 30,607,879 | 38,599,884 | 1,777,233 | 2,144,466 | 94,229,851 | 167,359,313 |
| **As of December 31, 2025** | | **29,124,704** | **44,564,063** | **2,681,628** | **2,767,767** | **352,738,695** | **431,876,857** |

### 6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (continued)

Additions to property, plant and equipment include transactions that were not settled in cash, such as changes in the provision for ash disposal and remediation of facility operation impacts (Note 12) and capitalization of borrowing costs and bond expenses using the accrual method.

Additions for 2025 include capitalized borrowing costs and bond expenses in the amount of 17,120,124 thousand tenge (2024: 2,670,614 thousand tenge) (Note 14), net of investment income from temporary investment of borrowed funds for specific-purpose loans in the amount of 1,034,526 thousand tenge (2024: 268,774 thousand tenge). The weighted average capitalization rate for borrowings in 2025 was 17,94% per annum (2024: 16,84% per annum).

The Company capitalizes borrowing costs in accordance with IAS 23 Borrowing Costs. Interest *on specific-purpose* borrowings directly attributable to the acquisition, construction or production of a qualifying asset net of investment income earned on temporary investment of these borrowed funds is included in their initial cost. Capitalization begins from the date on which the costs of the asset are incurred and ceases when all activities necessary for the preparation of the qualifying asset for its intended use or sale are substantially completed.

Capitalized interest on specific-purpose loans and bonds is included in the cost of the projects "Modernization of Almaty CHP-2 with minimal environmental impact" in the amount of 14,552,151 thousand tenge, "Reconstruction of Almaty CHP-3" in the amount of 2,429,025 thousand tenge, and for general-purpose loans in the amount of 138.948 thousand tenge for other projects (2024: "Modernization of Almaty CHP-2 with minimal environmental impact" in the amount of 2,190,157 thousand tenge, and for other projects in the amount of 480,457 thousand tenge).

The amount of construction in progress as of December 31, 2025 related to the modernization projects of CHP-2 and CHP-3 was 345,557,444 thousand tenge (as of December 31, 2024 – 91,218,547 thousand tenge). The remaining amount of construction in progress relates to the following capital projects: Modernization of information and communication infrastructure. Implementation of ASM at Almaty CHP-2 named after A. Zhakutov. Reconstruction of server rooms, corporate and technological network. Development of feasibility study for "Reconstruction of CHP-1 named after B. Orazbayev with construction of a 200-250 MW gas turbine unit". Works on the creation of a centralized monitoring point for monitoring and analysis, and other capital projects.

The Company's property, plant and equipment include fully depreciated assets in the amount of 11,992,558 thousand tenge as of December 31, 2025 (December 31, 2024: 10,812,965 thousand tenge), which continue to be used in operational activities. Although the carrying amount of such assets is zero they actually generate economic benefits for the company.

Transfers from inventory to property, plant and equipment refer to materials that have been used and included in the costs forming the value of major repairs and increasing the initial cost of a property, plant and equipment item.

In 2025 transfers from property, plant and equipment to inventory reflect the sale of apartments under the employee housing program in the amount of 984,032 thousand tenge (2024: zero).

Depreciation charges are allocated to the following accounts:

| *In thousands of Kazakhstan Tenge* | | **2025** | 2024 |
|---|---|---|---|
| Cost of sales | **17** | **17,822,750** | 13,283,023 |
| General and administrative expenses | **18** | **137,659** | 120,473 |
| Other expenses | | **9,516** | 7,163 |
| **Total depreciation charges** | | **17,969,925** | 13,410,659 |

## 6. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (continued)

**Intangible assets (continued)**

| *In thousands of Kazakhstan Tenge* | Note | License | Software | Intangible assets under development | Total |
|---|---|---|---|---|---|
| **Cost as of January 1, 2024** | | 110,497 | 741,327 | – | 851,824 |
| Additions | | 4,000 | 1,675 | – | 5,675 |
| Disposals | | – | (13,411) | – | (13,411) |
| **Cost as at December 31, 2024** | | 114,497 | 729,591 | – | 844,088 |
| Additions | | **–** | **122,097** | **1,114,322** | **1,236,419** |
| Disposals | | **–** | **(262)** | **–** | **(262)** |
| **Carrying amount as of December 31, 2025** | | **114,497** | **851,426** | **1,114,322** | **2,080,245** |
| **Accumulated amortization As of January 1, 2024** | | 48,393 | 459,157 | – | 507,550 |
| Amortization charge for the year | 17,18 | 20,862 | 66,148 | – | 87,010 |
| Amortization on disposals | | | (13,411) | – | (13,411) |
| **Amortization as of December 31, 2024** | | 69,255 | 511,894 | – | 581,149 |
| Amortization expense for the year | 17,18 | **21,969** | **73,254** | **–** | **95,223** |
| Amortization on disposals | | | **(262)** | **–** | **(262)** |
| **Amortization as of December 31, 2025** | | **91,224** | **584,886** | **–** | **676,110** |
| **Net book value As of January 1, 2024** | | 62,104 | 282,170 | – | 344,274 |
| **As of December 31, 2024** | | 45,242 | 217,697 | – | 262,939 |
| **As of December 31, 2025** | | **23,273** | **266,540** | **1,114,322** | **1,404,135** |

Intangible assets under development include an amount of 1.094.091 thousand tenge for the project "Implementation of the automated information system 1C: ERP".

Depreciation charges are allocated to the following accounts:

| *In thousands of Kazakhstan Tenge* | | 2025 | 2024 |
|---|---|---|---|
| General and administrative expenses | **18** | **53.192** | 52.866 |
| Cost of sales | **17** | **42.023** | 34.135 |
| Other expenses | | **8** | 9 |
| **Total amortization expense** | | **95.223** | 87.010 |

## 7. OTHER NON-CURRENT ASSETS

| *In thousands of Kazakhstan Tenge* | 2025 | 2024 |
|---|---|---|
| Advances paid for non-current assets | **79,180,228** | 90,135,980 |
| Prepayments | **2,977,592** | 2,417,577 |
| **Total other non-current assets** | **82,157,820** | 92,553,557 |

### 7. OTHER NON-CURRENT ASSETS (continued)

**Advances paid for non-current assets**

In accordance with the terms of the concluded contractual agreements for the implementation of investment projects prepayments were made in 2025:

- To the consortium comprising DONGFANG ELECTRIC INTERNATIONAL CORPORATION, POWERCHINA SEPCO1 ELECTRIC POWER CONSTRUCTION CO., LTD and POWERCHINA HEBEI ELECTRIC POWER ENGINEERING CO., LTD in the amount of 143,636,201 thousand tenge for the project "Modernization of Almaty CHP-2 with minimization of environmental impact". During 2025, a portion of the advances was offset against liabilities under this contract. The remaining advance balance as of December 31, 2025 was 32,772,267 thousand tenge;
- To the consortium comprising KBI Energy LLP jointly with Energo Spets Stroy LLP, StandartEnergo KZ LLP, and STROYINDUSTRIYA LLP, in the amount of 58,240,025 thousand tenge for the project "Reconstruction of Almaty CHP-3 (with the construction of a gas turbine plant with a capacity of at least 450 MW)". During 2025, a portion of the advances was offset against liabilities under this contract. The remaining advance balance as of December 31, 2025 was 43,471,575 thousand tenge;
- To AsiaSpetsEnergoMontazh LLP for repair/reconstruction works on power plants and similar facilities in the amount of 4,771,461 thousand tenge. During 2025, a portion of the advances was offset against liabilities under this contract. The remaining advance balance as of December 31, 2025 was 2,424,737 thousand tenge;
- The balance of advances as of December 31, 2025 paid for non-current assets to other contractors, amounted to 511,649 thousand tenge.

In 2024, prepayments were made:

- To the consortium comprising DONGFANG ELECTRIC INTERNATIONAL CORPORATION, POWERCHINA SEPCO1 ELECTRIC POWER CONSTRUCTION CO., LTD and POWERCHINA HEBEI ELECTRIC POWER ENGINEERING CO., LTD in the amount of 35,020,111 thousand tenge for the project "Modernization of Almaty CHP-2 with minimization of environmental impact". During 2024, a portion of the advances was offset against liabilities under this contract. The remaining advance balance as of December 31, 2024 was 56,104,779 thousand tenge;
- The balance of advance as of December 31, 2024 for the consortium comprising KBI Energy LLP jointly with Energo Spets Stroy LLP, StandartEnergo KZ LLP; and
- STROYINDUSTRIYA LLP was 33,445,459 thousand tenge.
- The balance of advances as of December 31, 2024 paid for non-current assets to other contractors, amounted to 585,742 thousand tenge.

Prepaid expenses include the following:

| Item | **December 31 2025** | December 31 2024 |
|---|---|---|
| Loan arrangement fee: | | |
| *European Bank for Reconstruction and Development* | **945,094** | 1,337,242 |
| *Asian Development Bank* | **621,281** | 1,074,302 |
| *Halyk Bank of Kazakhstan JSC* | **438,534** | – |
| *Development Bank of Kazakhstan JSC* | **309,246** | – |
| *Eurasian Development Bank* | **5,101** | 5,101 |
| Deferred expenses under the employee housing program *(Note 4)* | **644,855** | – |
| Student trainings | **10,875** | – |
| Other | **2,606** | 932 |
| **Total:** | **2,977,592** | 2,417,577 |

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. OTHER NON-CURRENT ASSETS (continued)

In accordance with IFRS (IFRS) 9 "Financial Instruments" loan arrangement fees are treated as transaction costs and accounted for by reducing the initial carrying amount of the financial liability with subsequent recognition through the effective interest rate.

For the tranches already utilized, the corresponding share of the fee was allocated to the borrowed funds received included in the carrying amount of the liability and is amortized with subsequent capitalization as part of the asset's cost.

The remaining portion of the fee relating to the unutilized portion of the credit line, is recognized as prepaid expenses as of the reporting date and will be recognized throughout the use of funds.

### 8. INVENTORIES

| *In thousands of Kazakhstan Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| Fuel - coal and fuel oil (at cost) | **8,441,695** | 8,082,241 |
| Fuel - other (at cost) | **297,274** | 289,067 |
| Spare parts (at the lower of cost and net realizable value) | **3,320,930** | 2,744,022 |
| Materials (at the lower of cost and net realizable value) | **2,847,409** | 2,071,650 |
| Other (at cost) | **530,531** | 353,086 |
| **Total receivables** | **15,437,839** | 13,540,066 |

### 9. TRADE AND OTHER RECEIVABLES, OTHER CURRENT ASSETS

| *In thousands of Kazakhstani Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| Receivables from customers for thermal energy | **15,343,101** | 12,059,995 |
| Receivables from customers for electricity | **11,184,416** | 4,395,720 |
| Other financial receivables (for maintaining readiness of electric power. supply of water through main pipelines (to secondary water users)) | **1,513,841** | 2,419,513 |
| Less: allowance for expected credit losses | **(662,274)** | (481,042) |
| **Total trade receivables** | **27,379,084** | 18,394,186 |
| Other accounts receivable | **366,610** | 378,588 |
| Less: allowance for expected credit losses | **(310,324)** | (310,149) |
| **Total other accounts receivable** | **56,286** | 68,439 |
| **Total accounts receivable from core operations and other accounts receivable** | **27,435,370** | 18,462,625 |

The Company's trade and other receivables as of December 31, 2025, and December 31, 2024, are denominated in Tenge.

As of December 31, 2025 the amount of accounts receivable for heat energy includes receivables from Almaty Heating Networks LLP (AlTS), the monopoly distributor and seller of heat energy and hot water to consumers in the city of Almaty in the amount of 15,226,532 thousand tenge (December 31, 2024: 11,960,968 thousand tenge). The participant in AlTS is the Municipal State Institution "Department of Energy Efficiency and Infrastructure Development" of the Almaty city, which owns a 100% stake.

As of December 31, 2025 other receivables primarily include cash placed in current accounts with KazInvestBank JSC in the amount of 304,701 thousand tenge (December 31, 2024: 304,701 thousand tenge). These funds were individually impaired due to the revocation of the bank's license to conduct banking operations based on Resolution № 291 of the Management Board of the National Bank of the Republic of Kazakhstan dated December 26, 2016. The allowance for expected credit losses as of the reporting dates is 304,701 thousand tenge.

The carrying amount of trade and other receivables approximates their fair value due to the short-term nature of these instruments.

### 9. TRADE AND OTHER RECEIVABLES, OTHER CURRENT ASSETS (continued)

The Company applies the expected credit losses model in accordance with the requirements of IFRS 9 "Financial Instruments". A provision for expected credit losses is recognized for all financial assets measured at amortized cost.

Movements in the allowance for expected credit losses on trade and other receivables are presented below:

| | **2025 year** | | | 2024 year | | |
|---|---|---|---|---|---|---|
| *In thousands of Kazakhstani Tenge* | **Trade accounts receivable** | **Other accounts receivable** | **Total:** | Trade receivables | Other receivables | Total: |
| **Provision at January 1** | **481,042** | **310,149** | **791,191** | 516,113 | 310,149 | 826,262 |
| Accrual/ (reversal) of allowance for expected credit losses | **181,446** | **161** | **181,607** | (34,152) | – | (34,152) |
| Transfer | **(214)** | **14** | **–** | (919) | – | – |
| **Provision as of December 31** | **662,474** | **310,324** | **972,598** | 481,961 | 310,149 | 791,191 |

The estimated allowance for expected credit losses in respect of trade and other receivables is determined in accordance with the provision matrix presented in the table below. The provision matrix is based on the number of days overdue the asset is.

| | **December 31, 2025** | | | | December 31, 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| *In % of gross amount* | **Loss ratio** | **Gross carrying amount** | **Expected credit losses for the entire term** | **Net carrying amount** | Loss ratio | The gross carrying amount | Expected credit losses for the entire term | The net carrying amount |
| Trade and other receivables | | | | | | | | |
| - current | **0.426%** | **19,287,360** | **(82,236)** | **19,205,124** | 0.028% | 13,367,454 | (3,718) | 13,363,736 |
| - with a payment delay of less than 30 days | **1.989%** | **4,481,467** | **(89,137)** | **4,392,330** | 0.096% | 4,211,814 | (403) | 4,211,411 |
| - with a payment delay of 30 to 60 days | **3.450%** | **3,310,077** | **(114,196)** | **3,195,881** | 0.172% | 880,765 | (1,516) | 879,249 |
| - with a payment delay of 61 to 90 days | **7.093%** | **668,815** | **(41,436)** | **627,379** | 0.389% | 791 | (4) | 787 |
| with payment delay from 91 to 360 days | **100%** | **1,207** | **(1,207)** | **–** | 100% | – | – | – |
| with payment delay exceeding 360 days | **100%** | **659,042** | **(644,386)** | **14,656** | 100% | 792,992 | (785,550) | 7,442 |
| **Total** | | **28,407,968** | **(972,598)** | **27,435,370** | | 19,253,816 | (791,191) | 18,462,625 |

### 9. TRADE AND OTHER RECEIVABLES, OTHER CURRENT ASSETS (continued)

| *In thousands of Kazakhstani Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| VAT recoverable | **6,374,699** | 506,139 |
| Prepayments to suppliers | **1,707,834** | 992,988 |
| Prepayments for taxes | **52,125** | 30,496 |
| Other current assets | **280,366** | 661,854 |
| **Total other current assets** | **8,415,024** | 2,191,477 |

### 10. CASH AND CASH EQUIVALENTS

| *In thousands of Kazakhstan Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| Purchase and resale agreements ("reverse repo") | **5,530,001** | 15,313,007 |
| Cash in current bank accounts | **1,629,611** | 860,539 |
| Term deposits with an initial maturity of less than three months | **64,467** | 212,165 |
| Cash on hand | **7,311** | 7,760 |
| Less: Allowance for expected credit losses | **(467)** | (1,200) |
| **Total cash and cash equivalents** | **7,230,923** | 16,392,271 |

The carrying amount of cash and cash equivalents approximates their fair value due to the short-term nature of these instruments.

An analysis of the credit quality of balances of cash and cash equivalents is provided *in Note 23.*

Term deposits according to the agreement, have a maturity of less than three months; the annual effective interest rate for 2025 was 17% (for 2024: 18.8%).

For the purpose of diversifying the treasury portfolio, as of the reporting date, the Company utilized purchase and resale agreements ("reverse repo"), which are transactions involving the placement of cash for a short-term period (1-7 days) on the stock exchange platform secured by liquid securities with a rating not lower than sovereign. The income from securities acquired under reverse repurchase agreements amounted to 390,602 thousand tenge for 2025 (2024: 208,045 thousand tenge) *(Note 19).*

Cash and cash equivalents as of December 31, 2025 and December 31, 2024 are denominated in Tenge.

Movements in the provision for cash and cash equivalents are presented below:

| *In thousands of Kazakhstani Tenge* | **2025** | 2024 |
|---|---|---|
| **Allowance for expected credit losses as of January 1** | **1,200** | 282 |
| (Reversal) / accrual of allowance for credit losses | **(733)** | 918 |
| **Allowance for expected credit losses as of December 31** | **467** | 1,200 |

### 11. SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL

| *In thousands of Kazakhstani Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| Number of paid ordinary shares, in units | **8,207,765** | 7,657,770 |
| Cost per share, in Tenge | **10,300** | 10,300 |
| **Share capital** | **84,539,979** | 78,875,031 |
| Additional paid-in capital | **36,874,425** | 31,085,139 |
| **Total share capital and additional paid-in capital** | **121,414,404** | 109,960,170 |

One ordinary share grants one vote, the Company has no preference shares.

### 11. SHARE CAPITAL AND ADDITIONAL PAID-IN CAPITAL (continued)

In July 2025 the Company issued 549,995 ordinary shares at a price of 20,826,07 tenge per share. These shares were acquired by the parent company through the exercise of pre-emptive rights by a shareholder. As a result the Company's share capital increased by 5,664,948 thousand tenge in 2025 and additional paid-in capital increased by 5,789,286 thousand tenge. The total proceeds from the issuance of ordinary shares amounted to 11,454,234 thousand tenge. There were no issuance expenses.

There were no new share issuances in 2024.

In accordance with the credit agreements entered into with the creditors *(Note 14)*, the Company is prohibited from paying dividends, distributing capital, repurchasing shares or options or making payments on subordinated debt and paying for shareholder services without the written consent of the creditor.

### 12. RESERVE FOR THE ASH DUMPS RESTORATION AND ELIMINATION OF THE CONSEQUENCE OF THE OPERATION OF THE FACILITIES

In accordance with environmental legislation, the Company has a legal obligation to reclaim ash dumps, which are waste disposal sites.

Changes in the provision are presented below:

| *In thousands of Kazakhstani Tenge* | Note | **Remediation of facility operation impacts** | **Ash dump restoration** | **Other** | **Total** |
|---|---|---|---|---|---|
| As of January 1, 2025 | | **14,096,300** | **2,512,255** | **6,974** | **16,615,529** |
| Changes in accounting estimates: | | | | | |
| - for the Buildings and structures group | 6 | **2,828,227** | **179,115** | **–** | **3,007,342** |
| - for the Machinery and equipment group | 6 | **5,668,312** | **–** | **–** | **5,668,312** |
| - under construction | 6 | **76,861** | **–** | **–** | **76,861** |
| Used | | **(498,928)** | **(225,460)** | **–** | **(724,388)** |
| Amortization of discount | 19 | **1,641,101** | **300,466** | **–** | **1,941,567** |
| **As of December 31, 2025** | | **23,811,873** | **2,766,376** | **6,974** | **26,585,223** |
| Short-term | | **1,219,782** | **1,196,395** | **6,974** | **2,423,151** |
| Long-term | | **22,592,091** | **1,569,981** | **–** | **24,162,072** |

| *In thousands of Kazakhstani Tenge* | Note | **Remediation of the consequences of facility operation** | **Ash dumps restoration** | **Other** | **Total** |
|---|---|---|---|---|---|
| As of January 1, 2024 | | 11,492,892 | 2,261,515 | – | 13,754,407 |
| Formed during the year | | – | – | 92,112 | 92,112 |
| Changes in accounting estimates: | | | | | |
| - for the group Buildings and structures | 6 | 166,222 | 185,878 | – | 352,100 |
| - for the group Machinery and equipment | 6 | 1,084,133 | – | – | 1,084,133 |
| Used | | (70,542) | (238,680) | (85,138) | (394,360) |
| Amortization of discount | 19 | 1,423,595 | 303,542 | – | 1,727,137 |
| As of December 31, 2024 | | 14,096,300 | 2,512,255 | 6,974 | 16,615,529 |
| Short-term | | 368,644 | 403,813 | 6,974 | 779,431 |
| Long-term | | 13,727,656 | 2,108,442 | – | 15,836,098 |

## 12. RESERVE FOR THE ASH DUMPS RESTORATION AND ELIMINATION OF THE CONSEQUENCE OF THE OPERATION OF THE FACILITIES (continued)

The estimation of the reserve for the ash dumps restoration and elimination of the consequence of the operation of the facilities requires the use of significant estimates and assumptions. A review of the key assumptions used to estimate the provision is presented in *Note 4*.

These obligations arise from the operation of the respective assets and are to be fulfilled upon the completion of their useful lives or at other times specified by regulatory acts.

Estimated obligations are initially recognized at a discounted amount based on the best estimate of the costs required to fulfill the obligation as of the reporting date, in accordance with the requirements of IFRS (IAS) 37. In subsequent periods the provision is revised to reflect changes in the scope and timing of decommissioning and reclamation work, updates to design and technical solutions and other changes in estimated assumptions. Adjustments arising from changes in estimates are recognized as changes in accounting estimates.

The increase in the discounted value of the provision due to the passage of time (unwinding of discount) is recognized as finance costs and disclosed in Note 19. Actual costs incurred for decommissioning and reclamation of facilities are expensed against the previously recognized provision as they are incurred.

Obligations arising during the installation of an asset are capitalized in the asset's cost; obligations arising during current operations (e.g., certain periodic environmental activities) are recognized in the profit and loss statement upon their occurrence.

The estimation of the provision for reclamation of ash dumps and decommissioning of operating facilities is based on significant professional judgments and is subject to considerable uncertainties. Key assumptions used in the calculation of the provision, including asset retirement dates, technologies applied and discount rates are *disclosed in* Note 4. Expected timing of fulfillment of obligations is predominantly long-term; the short-term portion reflects payments expected within 12 months after the reporting date.

## 13. EMPLOYEE BENEFITS OBLIGATIONS

Employee benefits obligations are reflected in accordance with the provisions of the collective agreement concluded by the Company, as well as in accordance with the requirements of the Social Code of the Republic of Kazakhstan.

| | **December 31, 2025** | | | December 31, 2024 | | |
|---|---|---|---|---|---|---|
| | **Short-term** | **Long-term** | **Total** | Short-term | Long-term | Total |
| Post-employment benefits | **265,613** | **1,967,814** | **2,233,427** | 159,975 | 1,659,311 | 1,819,286 |
| Other long-term employee benefits | **45,987** | **178,086** | **224,073** | 45,146 | 303,838 | 348,984 |
| **Total net liability** | **311,600** | **2,145,900** | **2,457,500** | 205,121 | 1,963,149 | 2,168,270 |

The Company uses the projected unit credit method to determine the present value of its defined benefit pension plan obligations and the related current service cost and where applicable prior service cost.

The projected unit credit method (sometimes referred to as the accrued benefit method, distributed on a benefit/service-years basis or benefit/service-years method) attributes benefit to each period of service as the basis for an additional amount of benefit to be distributed in each period and measures each benefit attribution separately to determine the obligations at the end of the period.

A social tax rate of 14% was applied to retirement and anniversary payments in the calculations to fully reflect the future obligation of the company.

The projected unit credit method represents the actuarially discounted value of total projected benefits.

### 13. EMPLOYEE BENEFITS OBLIGATIONS (continued)

The stages of calculation of obligations are as follows:

- Calculation of the projected payment at the time of benefit receipt based on salary growth, MCI growth or other conditions for payment;
- Discounting of future payments to the current reporting date taking into account the following factors: discount rate, probability of survival, probability of termination (for death benefits employee mortality is considered);
- The discounting period is determined based on the payment terms and the employee's current age;
- Accumulated obligations for all prior years as of the reporting date are determined as the product of the discounted value and the ratio of accumulated service to total service.

Changes in employee benefit obligations are presented below:

| *In thousands of Kazakhstani Tenge* | **Compensation upon termination of employment operations** | **Other long-term employee benefits** | **Total** |
|---|---|---|---|
| Present value as of January 1 2024 | 1,225,708 | 341,422 | 1,567,130 |
| Discount amortization (Note 19) | 130,214 | 34,153 | 164,367 |
| Current service cost | 73,656 | 59,343 | 132,999 |
| Prior service cost | 509,780 | – | 509,780 |
| Remeasurement of net liability | 40,847 | (3,841) | 37,006 |
| Payments made | (160,919) | (82,093) | (243,012) |
| Present value at December 31 2024 | 1,819,286 | 348,984 | 2,168,270 |
| | | | |
| Amortization of discount (Note 19) | **195,857** | **35,490** | **231,347** |
| Cost of current services | **117,119** | **35,777** | **152,896** |
| Cost of prior year services | **464,007** | **49,543** | **513,550** |
| Revaluation of net obligation | **(145,352)** | **(167,672)** | **(313,024)** |
| Payments made | **(217,490)** | **(78,049)** | **(295,539)** |
| **Present value as of December 31 2025** | **2,233,427** | **224,073** | **2,457,500** |

The rate used for discounting post-employment benefit plan obligations (both funded and unfunded) is determined based on the market yield of high-quality corporate bonds as of the end of the reporting period. In countries where such a bond market is not sufficiently developed government bond market yields (as of the end of the reporting period) are used. The currency and terms of the corporate or government bonds must match the currency and settlement terms of the post-employment benefit plan obligations.

The discount rate is one of the actuarial assumptions that significantly affects the amount of obligations. The discount rate reflects the time value of money, but not actuarial or investment risk. Furthermore, the discount rate does not reflect the entity's inherent credit risk, which lies with the entity's creditors nor the risk that actual results may differ from actuarial assumptions.

The discount rate reflects the estimated timing of benefit payments. In practice, an entity often achieves this by applying a single weighted-average discount rate that reflects the estimated timing of benefit payments their amount and the currency in which they are expected to be paid.

### 13. EMPLOYEE BENEFITS OBLIGATIONS (continued)

**Discount Rate Calculation**

The stages of discount rate estimation consist of 2 parts:

- Estimation of the duration of obligations, considering survival factors, time value of money and projected future payments;
- Selection of government bonds based on a duration closest to the amount of obligations; the discount rate is taken as the trading yield of the selected government bond.

A sensitivity analysis of post-employment benefit obligations to changes in the discount rate is presented below:

| | **2025** | 2024 |
|---|---|---|
| Discount rate | **15.29%** | 11.45% |
| Annual salary growth rate for employees: | | |
| *administrative personnel* | **13.61%** | 11.17% |
| *production personnel* | **12.02%** | 8.80% |
| Anticipated annual growth of minimum wage in the future | **7.53%** | 6.02% |
| Anticipated annual growth of material assistance in the future | **7.39%** | 7.09% |

Profit/(loss) from remeasurement of defined benefit pension plans recognized in other comprehensive income/(loss):

| *In thousands of Kazakhstani Tenge* | **2025** | 2024 |
|---|---|---|
| Changes in financial assumptions | **359,174** | 14,013 |
| Experience-based adjustments | **(292,861)** | (56,920) |
| Change in demographic assumptions | **79,039** | 2,060 |
| **Total:** | **145,352** | (40,847) |

A quantitative sensitivity analysis for significant assumptions is presented below (impact of changes in key assumptions on the carrying amount of obligations):

| *In thousands of Kazakhstani Tenge* | **Year 2025** | Year 2024 |
|---|---|---|
| Discount rate - Increase by 0,5% | **(108,542)** | (95,767) |
| Discount rate - Decrease by 0,5% | **117,558** | 103,723 |
| Future minimum wage growth - Increase by 1% | **33,667** | 29,705 |
| Future minimum wage growth - Decrease by 1% | **(29,747)** | (26,246) |
| Future increase in financial assistance - Increase by 1% | **219,577** | 193,734 |
| Future increase in financial assistance - Decrease by 1% | **(188,838)** | (166,613) |

### 14. BORROWINGS AND ISSUED BONDS

| *In thousands of Kazakhstani Tenge* | **December 31, 2025** | December 31, 2024 |
|---|---|---|
| **Long-term portion and accrued interest** | | |
| **Borrowings** | | |
| European Bank for Reconstruction and Development | **85,204,387** | 42,073,506 |
| Asian Development Bank | **65,388,591** | 14,153,684 |
| Development Bank of Kazakhstan JSC | **54,876,886** | – |
| Halyk Bank of Kazakhstan JSC | **49,372,017** | – |
| **Issued bonds** | | |
| Samruk-Energy JSC | **18,451,564** | – |
| **Total borrowings and issued bonds – long-term portion** | **273,293,445** | 56,227,190 |
| **Short-term portion and accrued interest** | | |
| Halyk Bank of Kazakhstan JSC | **12,893,501** | 7,032,906 |
| Samruk-Energy JSC | **7,960,525** | – |
| European Bank for Reconstruction and Development | **7,413,798** | 2,004,289 |
| Asian Development Bank | **4,814,072** | 674,746 |
| Development Bank of Kazakhstan JSC | **59,956** | – |
| **Total borrowings and issued bonds – short-term portion** | **33,141,852** | 9,711,941 |
| **Total borrowings and issued bonds** | **306,435,297** | 65,939,131 |

All the Company's borrowings and bonds as of December 31, 2025 are denominated in Tenge.

Borrowings from the European Bank for Reconstruction and Development, the Asian Development Bank, Development Bank of Kazakhstan JSC and Halyk Bank of Kazakhstan JSC (Limit 3) are secured by an unconditional and irrevocable guarantee from Samruk-Kazyna JSC.

Borrowings from Samruk-Energy JSC are unsecured.

The borrowed funds of Halyk Bank of Kazakhstan JSC (Limit 1) are secured with cash funds in the amount of 28.200.000 thousand tenge serviced by Halyk Bank of Kazakhstan JSC under the agreement on pledge of cash (on current account) with the bank, being provided as collateral.

| *In thousands of Kazakhstan Tenge* | **December 31 2025** | December 31 2024 |
|---|---|---|
| **Loans and bonds by maturity date** | | |
| - less than 6 months | **18,921,354** | 7,835,352 |
| - from 6 months to 1 year | **14,220,498** | 1,876,589 |
| - from 1 year to 3 years | **57,486,025** | 8,489,139 |
| - over 3 years | **215,807,420** | 47,738,051 |
| **Total loans and bonds** | **306,435,297** | 65,939,131 |

According to IAS 1 a loan is classified as short-term in cases where: repayment is expected within the normal operating cycle it is due for repayment within 12 months after the reporting date and the company does not have an unconditional right to defer repayment for more than 12 months. Such loans include those from the European Bank for Reconstruction and Development, the Asian Development Bank and Halyk Bank of Kazakhstan JSC under Limit-1, where there is no right to defer repayment.

According to IAS 1 a loan is classified as long-term in cases where: repayment is not required within 12 months after the reporting date and the company has an unconditional right to defer repayment for more than 12 months. Such loans include those from Development Bank of Kazakhstan JSC and Halyk Bank of Kazakhstan JSC under Limit-3. For these loans there is an unconditional right to defer repayment for more than 12 months.

### 14. BORROWINGS AND ISSUED BONDS (continued)

General information on loans and bonds is presented in the table below:

| *In thousands of Kazakhstan Tenge* | Effective rate | Year of receipt | Year of redemption | Carrying value December 31 2025 | Carrying value December 31 2024 |
|---|---|---|---|---|---|
| European Bank for Reconstruction and Development | 18.66%-18.98% | 2024 – 2025 | 2037 | **92,618,185** | 44,077,796 |
| Asian Development Bank | 18.61% - 19.14% | 2024 - 2025 | 2037 | **70,202,663** | 14,828,430 |
| Halyk Bank of Kazakhstan JSC | 18.5%-19.5% | 2025 | 2035 | **62,265,518** | 7,032,905 |
| Development Bank of Kazakhstan JSC | 19.84% | 2025 | 2038 | **54,936,842** | – |
| Samruk-Energy JSC | 18.17% -19% | 2025 | 2038 | **26,412,089** | – |
| **Total borrowings and bonds** | | | | **306,435,297** | 65,939,131 |

***Covenants***

The Company has entered into a number of debt agreements containing both financial and non-financial covenants. As of the reporting date, the Company has complied with all applicable covenants. There were no covenant breaches in 2024 and 2025.

Non-financial covenants include (but are not limited to) reporting requirements, restrictions on additional borrowing, and restrictions on carrying out certain corporate actions.

Key financial covenants come into effect starting from 2027.

The Company assesses its ability to comply with financial covenants in the future and, at the present time, does not expect any breaches within the terms stipulated by the agreements.

***Halyk Bank of Kazakhstan JSC***

On November 26, 2014 the Company entered into a Credit Line Agreement with Halyk Bank of Kazakhstan JSC (hereinafter referred to as the "Agreement"). The credit line is valid until September 1, 2026. Cash funds placed on the pledgor's current accounts in the amount of 28,200,000 thousand tenge serviced by Halyk Bank of Kazakhstan JSC are provided as collateral. On August 26, 2025 within the framework of financing the "Reconstruction of Almaty CHP-3" project. Limit - 3 was opened for the amount of 135,000,000 thousand tenge. For Limit – 3 an unconditional and irrevocable guarantee from Samruk-Kazyna JSC is provided as collateral. In accordance with the Agreement, the total amount of the credit line is 149,100,000 thousand tenge. of which:

- 13,500,000 thousand tenge (hereinafter - Limit 1). The purpose of Limit 1 is to replenish working capital;
- 600,000 thousand tenge (hereinafter - Limit 2). The purpose of Limit 2 is to provide bank guarantees, bank loans to cover guarantees, including short-term ones;
- 135,000,000 thousand tenge (hereinafter - Limit 3). The purpose of Limit 3 is for investments and all expenses related to the implementation of the "Reconstruction of CHP-3" project including reimbursement of previously incurred costs associated with the implementation of the "Reconstruction of CHP-3" project.

Borrowed funds utilized in 2025:

- For Limit 1 - 24,128,169 thousand tenge;
- For Limit 2 – 480 thousand tenge;
- For Limit 3 – 47,293,210 thousand tenge.

Balance of available limit as of the reporting date:

- For Limit 1 – 710 thousand tenge;
- For Limit 2 – 120 thousand tenge;
- For Limit 3 – 87,706,789 thousand tenge.

## 14. BORROWINGS AND ISSUED BONDS (continued)

***European Bank for Reconstruction and Development***

On November 25, 2022 a Loan Agreement № 52821 was signed between the Company and the European Bank for Reconstruction and Development for a total amount of 130,000,000 thousand tenge. An unconditional and irrevocable guarantee from Samruk-Kazyna JSC was provided as collateral security. As of December 31, 2025 funds in the amount of 93,879,072 thousand tenge have been utilized. The remaining free limit as of the reporting date is 36,120,928 thousand tenge.

***Development Bank of Kazakhstan JSC***

On June 8, 2023 an Agreement on Opening a Credit Line (hereinafter referred to as AOCL) №. SKL-04-23 was signed between the Company and Development Bank of Kazakhstan JSC for the amount of 117,000,000 thousand tenge. An unconditional and irrevocable guarantee from Samruk-Kazyna JSC was provided as collateral security. On December 29, 2025, 1 tranche in the amount of 55,150,789 thousand tenge was utilized. The remaining free limit as of the reporting date is 61,849,211 thousand tenge.

***Asian Development Bank***

On June 9, 2023 a Loan Agreement was signed between the Company and the Asian Development Bank for the amount of 98,000,000 thousand tenge. An unconditional and irrevocable guarantee from Samruk-Kazyna JSC was provided as collateral security. As of December 31, 2025 funds in the amount of 70,659,919 thousand tenge have been utilized. The remaining free limit as of the reporting date is 27,340,081 thousand tenge.

***Eurasian Development Bank***

On September 28, 2023 the first bond program of the Company in an amount not exceeding 236.858.700 thousand tenge was registered on the Astana International Financial Centre Exchange.

On November 30, 2023 in order to formalize the commitment of the Eurasian Development Bank (hereinafter referred to as EDB) to repurchase the Company's bonds, a Project Co-implementation Agreement № 137 (hereinafter referred to as PCIA) was signed with the EDB for the amount of 188,000,000 thousand tenge. No utilization was made under this agreement.

***Samruk-Energy JSC***

An Agreement on Opening a Reversible Credit Line dated November 27, 2018 (hereinafter referred to as Agreement) was concluded between Samruk-Energy JSC and the Company providing for both the attraction and provision of tranches within the established limit and in accordance with the main terms of the credit line. During 2025, under the Agreement financing was attracted for working capital replenishment in the form of several tranches totaling 12,550,000 thousand tenge, while a portion of the debt in the amount of 4,900,000 thousand tenge was prepaid in the same year. Similarly, during 2024 under the Agreement funds totaling 5,350,000 thousand tenge were attracted and fully prepaid.

In November 2025, under the financing of the investment project "Modernization of Almaty Thermal Power Plant-2 with Minimization of Environmental Impact" funds were attracted as equity participation through the issuance of bonds in the amount of 18,076,908 thousand tenge with a circulation period of 13 years, where Samruk-Energy JSC acted as the purchaser. The bond issuance was carried out within the framework of AlES JSC Liquidity Management Program within the Samruk-Energy group of companies on the Astana International Exchange platform.

### 14. BORROWINGS AND ISSUED BONDS (continued)

The analysis of the carrying and fair value of these borrowings and bonds is presented below:

| | **December 31, 2025** | | December 31, 2024 | |
|---|---|---|---|---|
| *In thousands of Kazakhstani Tenge* | **Carrying Value** | **Fair Value** | Carrying Value | Fair Value |
| European Bank for Reconstruction and Development | **92,618,185** | **98,516,234** | 44,077,796 | 45,474,481 |
| Asian Development Bank | **70,202,663** | **75,716,723** | 14,828,430 | 15,144,014 |
| Halyk Bank of Kazakhstan JSC | **62,265,518** | **61,789,262** | 7,032,905 | 7,028,326 |
| Development Bank of Kazakhstan JSC | **54,936,842** | **64,654,404** | – | – |
| Samruk-Energy JSC | **26,412,089** | **25,635,608** | – | – |
| **Total borrowings and bonds issued** | **306,435,297** | **326,312,231** | 65,939,131 | 67,646,821 |

***Changes in liabilities arising from financing activities***

The table below presents an analysis of the amount and changes in the Company's liabilities arising from financing activities for each of the presented periods. The items of these liabilities are reflected in the statement of cash flows as part of financing activities:

## 14. BORROWINGS AND ISSUED BONDS (continued)

***Changes in liabilities arising from financing activities (continued)***

| *In thousands of Kazakhstan Tenge* | Note | Loans and bonds issued | Other | Total |
|---|---|---|---|---|
| Liabilities arising from financing activities as of January 1 2024 | | 11,117,829 | 264,575 | 11,382,404 |
| **Cash flows:** | | | | |
| Interest paid in operating activities | | (381,936) | – | (381,936) |
| Capitalised borrowing costs paid | | (2,118,829) | – | (2,118,829) |
| Proceeds from borrowings | | 86,575,243 | – | 86,575,243 |
| Repayment of borrowings | | (31,462,591) | – | (31,462,591) |
| Settlement of liabilities | | – | (261,435) | (261,435) |
| **Non cash movements:** | | | | |
| Finance costs | 19 | 3,370,850 | – | 3,370,850 |
| Other non cash movements | | (1,161,435) | 258,332 | (903,103) |
| **Liabilities arising from financing activities as of December 31, 2024** | | 65,939,131 | 261,472 | 66,200,603 |
| **Cash flows from financing activities:** | | | | |
| Interest paid in operating activities | | **(1,301,683)** | **–** | **(1,301,683)** |
| Capitalized loan costs paid | | **(12,434,378)** | **–** | **(12,434,378)** |
| Proceeds from borrowings | | **244,488,540** | **–** | **244,488,540** |
| Proceeds from issued bonds | | **18,076,908** | | **18,076,908** |
| Repayment of borrowings | | **(25,571,097)** | **–** | **(25,571,097)** |
| Paid bank commissions related to loan origination | | **–** | **(600)** | **(600)** |
| **Non-cash movements:** | | | | |
| Finance costs | 19 | **19,819,223** | **–** | **19,819,223** |
| Other non-cash movements | | **(2,580,747)** | **(261,472)** | **(2,842,219)** |
| **Liabilities arising from financing activities as of December 31, 2025** | | **306,435,897** | **(600)** | **306,435,297** |

### 15. TRADE AND OTHER PAYABLES

| *In thousands of Kazakhstan Tenge* | **December 31, 2025** | December 31, 2024 |
|---|---|---|
| Contract liabilities under EPC contracts | **35,340,707** | 41,876,154 |
| Liabilities to suppliers for fixed assets, other materials and services | **12,220,618** | 19,888,542 |
| Liabilities to suppliers for lubricants and fuel | **5,204,849** | 4,100,821 |
| Liabilities to suppliers for water supply | **361,556** | 767,280 |
| Warranty obligations and tender deposits | **636,681** | 408,055 |
| **Total accounts payable for core operations** | **53,764,411** | 67,040,852 |
| Payroll, pension, and social contributions payable | **2,716,198** | 2,253,032 |
| Accrued provisions for unused leave | **1,356,652** | 1,098,976 |
| Other accounts payable | **689,045** | 413,870 |
| **Total other accounts payable** | **4,761,895** | 3,765,878 |
| **Total accounts payable for core operations and other accounts payable** | **58,526,306** | 70,806,730 |
| **Long-term financial liabilities under EPC contracts** | **13,083,022** | 2,235,973 |

Financial liabilities under EPC contracts include liabilities for work performed for shipped equipment and equipment under production within the framework of EPC contracts for the investment projects "Modernization of Almaty CHP-2 with Minimization of Environmental Impact" and "Reconstruction of Almaty *CHP-3" (Note 4).*

Due to the fact that the cost of construction works and equipment at this stage was estimated using the percentage of completion provided by the contractor and prices agreed in the appendix to the EPC contract, the Company recognized a liability on an accrual basis based on the best estimate of the Company's management.

The principal amount of trade payables to suppliers for fixed assets includes the debt of POWERCHINA SEPCO1 Electric Power Construction Co for shipped equipment in the amount of 1.561.860 thousand tenge for the investment project "Modernization of Almaty CHP-2 with Minimization of Environmental Impact" (Note 4).

### 16. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue analysis by contracts with customers from sales by type:

| *In thousands of Kazakhstani Tenge* | **2025** | 2024 |
|---|---|---|
| **Revenue from contracts with customers** | | |
| Revenue from electricity sales | **93,008,877** | 81,920,836 |
| Revenue from heat energy sales | **30,884,891** | 29,734,353 |
| Revenue from capacity maintenance services | **11,410,200** | 11,818,645 |
| Revenue from chemical water sales | **4,232,442** | 2,079,711 |
| Variable consideration under customer agreement | **130,569** | 57,050 |
| Other revenue | **87,133** | 64,504 |
| **Total revenue from contracts with customers** | **139,754,112** | 125,675,099 |

## 16. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

The Company recognizes revenue from contracts with customers upon the supply of electricity, thermal energy, chemical water, and maintaining electricity capacity readiness during the period based on tariffs approved by the Ministry of Energy of the Republic of Kazakhstan and the Departments of the Committee for the Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the city of Almaty and the Almaty region.

The Company acts as a principal in electricity sales transactions. The Company sells electricity to the Single Purchaser of Electrical Energy – Financial Settlement Center for Renewable Energy Sources LLP.

Contracts for the supply of electricity and thermal energy are continuous supplies for which revenue from contracts with customers is recognized in the volume corresponding to the volume of energy actually supplied. With respect to the specified contracts, the Company applies the practical expedient "right to invoice" provided for by IFRS 15 (B16). The amount of revenue recognized in each reporting period corresponds to the amount that the Company has the right to invoice the customer for, which directly reflects the cost of the transferred energy. Due to the application of this practical expedient, information on the transaction price allocated to remaining performance obligations with respect to the specified contracts is not disclosed.

From July 1, 2023 a transition to a new target model for the electricity sales market has been carried out, which provides for the operation of the wholesale electricity market with the introduction of a single electricity buyer and a real-time electricity balancing market. Within the framework of the model all electricity generated by power generation organizations is sold to the Single Purchaser of Electrical Energy – Financial Settlement Center for Renewable Energy Sources LLP, which in the course of its activities from July 1, 2023 daily carries out planned purchases of electricity for the day ahead from domestic power plants by conducting centralized trading on the electronic trading platform of KOREM JSC. The sale (purchase) of balancing electricity (surplus) and the purchase of negative imbalances (deficit) are carried out on the balancing electricity market (BEM) only by the settlement center – KOREM JSC. Prices for BEM are calculated by the settlement center in the manner established by the Ministry of Energy. Revenue from the sale of balancing electricity is included in revenue from the sale of electricity.

The cost of purchasing negative imbalances is included in the cost of purchased electricity.

Participants in the electricity balancing market who have negative imbalances in hours when the balancing market settlement center carries out the purchase of balancing electricity are obliged to sell these negative imbalances to the balancing market settlement center at prices calculated by the balancing market settlement center in the manner established by the authorized body.

Participants in the electricity balancing market who have positive imbalances in hours when the balancing market settlement center carries out the purchase of balancing electricity are obliged to purchase balancing electricity from the balancing market settlement center in the volumes of their hourly positive imbalances at the prices for the sale of balancing electricity calculated by the balancing market settlement center in the manner established by the authorized body.

The volume of electricity sold by the Company as a negative imbalance for 2025 was 21,072 thousand kWh, and the revenue amounted to 368,375 thousand tenge excluding VAT.

In accordance with the Order of the Minister of Energy of the Republic of Kazakhstan dated October 23, 2023 № 376 "On Amendments to the Order of the Minister of Energy of the Republic of Kazakhstan dated July 3, 2015 № 465 "On Approval of Maximum Tariffs for the Service of Maintaining Electricity Capacity Readiness".

The Company recognizes revenue during the period and sells the service of maintaining electricity capacity readiness at a maximum tariff of 1.170 thousand tenge/(MW*month) from January 1, 2025.

Penalties collected in favor of the Company for late payments on invoices issued to the service buyer Almaty Heat Networks LLP, in the amount of 130,569 thousand tenge (for 2024: 57,050 thousand tenge) are included in revenue as part of the consideration transferred for the thermal energy purchased by the buyer and are recognized at the point in time when the Company's right to receive this amount becomes unconditional, i.e., upon the occurrence of an event that fixes the buyer's obligation to pay in accordance with IFRS 15 "Revenue from Contracts with Customers".

### 17. COST OF SALES

| *In thousands of Kazakhstani Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| Fuel | | **47,833,488** | 39,384,027 |
| Payroll and related expenses | | **26,653,670** | 22,026,489 |
| Depreciation of property, plant and equipment | 6 | **17,822,750** | 13,283,023 |
| Repair and maintenance | | **6,064,985** | 5,545,300 |
| Water supply | | **5,183,201** | 4,616,937 |
| Other services provided by third parties | | **3,290,362** | 2,523,092 |
| Purchase of electricity via the balancing electricity market | | **3,048,219** | 2,103,535 |
| Electricity transmission services | | **3,033,256** | 2,627,156 |
| Materials and spare parts | | **1,813,435** | 1,407,952 |
| Environmental pollution fees and other taxes | | **1,455,549** | 1,502,437 |
| Amortization of intangible assets | 6 | **42,023** | 34,135 |
| Other | | **2,895,821** | 1,731,014 |
| **Total Cost of Sales** | | **119,136,759** | 96,785,097 |

### 18. GENERAL AND ADMINISTRATIVE EXPENSES

| *In thousands of Kazakhstani Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| Fines | | **4,440,249** | 9,723 |
| Payroll and related expenses | | **2,260,136** | 1,907,639 |
| Third-party services | | **545,417** | 445,962 |
| Depreciation of property, plant, and equipment | 6 | **137,659** | 120,473 |
| Amortization of intangible assets | 6 | **53,192** | 52,866 |
| Other | | **810,527** | 652,156 |
| **Total general and administrative expenses** | | **8,247,180** | 3,188,819 |

The Department of the Agency for the Protection and Development of Competition of the Republic of Kazakhstan for the Almaty city found signs of violation of the legislation of the Republic of Kazakhstan in the field of competition protection in the Company's actions expressed in conditioning or imposing the conclusion of an agreement by a market participant or consumer on additional obligations which, by their nature or according to business practices do not relate to the subject matter of these agreements or imposing economically or technologically unjustified contract terms on the counterparty that are not related to the subject of the contract. By the Ruling of the Specialized Interdistrict Court for Administrative Offenses of the Almaty city dated June 10, 2025 the Company was brought to administrative responsibility under Part 3-1 of Article 159 of the Code of Administrative Offenses with the imposition of an administrative penalty in the form of an administrative fine in the amount of 4,429,654 thousand tenge to the state revenue. The Company continues to challenge the legality of its imposition in the prescribed manner and no final decision on this matter has been made as of the reporting date.

General and administrative expenses include payment for the audit of financial statements for the year ended December 31, 2025, in the amount of 37,400 thousand tenge (in 2024: 27,499 thousand tenge).

### 19. FINANCE COSTS AND INCOME

**Finance costs**

| *In thousands of Kazakhstani Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| Interest expense on loans | | **19,819,223** | 3,296,368 |
| Interest expense: | | | |
| - provision for decommissioning of facilities | 12 | **1,641,101** | 1,423,595 |
| - provision for ash dumps | 12 | **300,466** | 303,542 |
| - employee benefit obligations | 13 | **231,347** | 164,367 |
| Other | 14 | **123,978** | 74,482 |
| **Total finance costs** | | **22,116,115** | 5,262,354 |
| Less capitalized borrowing and bond costs | 6 | **(18,154,650)** | (2,939,388) |
| **Total finance costs recognized in profit or loss** | | **3,961,465** | 2,322,966 |

## 19. FINANCE COSTS AND INCOME (continued)

### Finance income

| *In thousands of Kazakhstan Tenge* | Note | 2025 | 2024 |
|---|---|---|---|
| Income from securities acquired under reverse repurchase agreements | 10 | **390,602** | 208,045 |
| Income on remuneration for current bank deposits of less than 3 months | | **253,995** | 198,494 |
| Income on remuneration for current bank accounts of less than 3 months | | **33,319** | 6,843 |
| Income from finance lease | | **13,694** | – |
| **Total finance income recognised in profit or loss** | | **691,610** | 413,382 |

## 20. INCOME TAX EXPENSE

Income tax expense includes the following components:

| *In thousands of Kazakhstani Tenge* | 2025 | 2024 |
|---|---|---|
| Deferred tax benefit | **1,839,885** | 1,119,164 |
| Prior period corporate income tax adjustment | **(152,450)** | (140,827) |
| Current income tax expense - current period | **(4,414,411)** | (5,912,608) |
| **Total income tax expense** | **(2,726,976)** | (4,934,271) |

A reconciliation of estimated and actual income tax expenses is presented below:

| *In thousands of Kazakhstan Tenge* | 2025 | 2024 |
|---|---|---|
| Profit before tax | **8,192,759** | 23,976,812 |
| Calculated amount of income tax expense at the statutory rate of 20% (2024: 20%) | **(1,638,552)** | (4,795,362) |
| **Adjustments for:** | | |
| Prior period corporate income tax adjustment | **(152,450)** | (140,827) |
| Non-deductible expenses and other items | **(935,974)** | 1,918 |
| **Total income tax expense** | **(2,726,976)** | (4,934,271) |

Differences between IFRS and the tax legislation of the Republic of Kazakhstan result in temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax base.

The main component of permanent differences was fines and penalties paid to the budget, which in accordance with tax legislation are not deductible when determining taxable income. These amounts do not result in the recognition of deferred corporate income tax.

## 20. INCOME TAX EXPENSE (continued)

The tax consequences of changes in these temporary differences as of December 31, 2025 are detailed below:

| *In thousands of Kazakhstan Tenge* | January 1, 2025 | Charged to the profit and loss | December 31, 2025 |
|---|---|---|---|
| **Tax effect of deductible temporary differences** | | | |
| Provision for ash dump restoration and decommissioning of facilities | **3,321,710** | **1,994,332** | **5,316,042** |
| Allowance for expected credit losses on accounts receivable | **158,217** | **36,281** | **194,498** |
| Provision for obsolete inventory | **104,533** | **40,203** | **144,736** |
| Accounts payable and taxes payable | **97,512** | **17,301** | **114,813** |
| Employee benefits obligation | **73,255** | **(28,440)** | **44,815** |
| Other provisions | **336,884** | **(32,444)** | **304,440** |
| **Gross deferred tax asset** | **4,092,111** | **2,027,233** | **6,119,344** |
| **Tax effect of taxable temporary differences** | | | |
| Difference in the carrying amount of property, plant and equipment for accounting and tax purposes | **4,745,492** | **187,347** | **4,932,839** |
| **Gross deferred tax liability** | **4,745,492** | **187,347** | **4,932,839** |
| **Net deferred tax asset/ (liability)** | **653,381** | **(1,839,886)** | **(1,186,505)** |

Significant changes in deferred corporate income tax in the reporting period were due to a reassessment of the reserve for decommissioning liabilities as a result of a substantial increase in the estimated cost of decommissioning works for CHP-3 *(Note 12).*

The reassessment of the reserve for decommissioning liabilities led to the formation of a deductible temporary difference and the recognition of a deferred tax asset as of December 31, 2025 whereas as of December 31, 2024 taxable temporary differences prevailed and a deferred tax liability was recognized.

The tax consequences of changes in these temporary differences as of December 31, 2024 are detailed below:

| *In thousands of Kazakhstani Tenge* | January 1 2024 | Recognized in profit or loss and losses | December 31 2024 |
|---|---|---|---|
| **Deferred tax effect of deductible temporary differences** | | | |
| Reserve for ash dump restoration and decommissioning of facilities | 2,750,881 | 570,829 | 3,321,710 |
| Allowance for expected credit losses on accounts receivable | 164,726 | (6,509) | 158,217 |
| Reserve for obsolete and slow-moving inventory | 84,838 | 19,695 | 104,533 |
| Trade and other payables | 105,120 | (7,608) | 97,512 |
| Employee benefits obligations | 68,285 | 4,970 | 73,255 |
| Other provisions | 280,028 | 56,856 | 336,884 |
| **Gross deferred tax asset** | **3,453,878** | **638,233** | **4,092,111** |
| **Tax effect of taxable temporary differences** | | | |
| Difference in the carrying amount of property, plant and equipment for accounting and tax purposes | 5,226,422 | (480,930) | 4,745,492 |
| **Gross deferred tax liability** | **5,226,422** | **(480,930)** | **4,745,492** |
| **Net deferred tax liability** | **1,772,544** | **(1,119,163)** | **653,381** |

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS

### Operating environment

Kazakhstan continues to pursue economic reforms and develop legal, tax and administrative infrastructure that aligns with the requirements of a market economy. The future stability of the Kazakh economy will largely depend on the progress of these reforms, as well as on the effectiveness of the measures undertaken by the Government in the economic, financial, and monetary policy spheres.

The inflation rate was 12,3% in December 2025 compared to 8,6% in December 2024. As of the date of this report the official exchange rate of the National Bank of the Republic of Kazakhstan was 505.17 tenge per 1 US dollar, compared to 502.57 tenge per 1 US dollar as of December 31, 2024 (December 31, 2023: 523.54 tenge per 1 US dollar).

Overall, the economy of the Republic of Kazakhstan continues to exhibit certain characteristics typical of emerging markets. It is particularly sensitive to fluctuations in prices for oil, gas and other mineral raw materials, which constitute the main part of the country's exports. These characteristics also include, but are not limited to the existence of a national currency that is not freely convertible outside the country and a low level of securities market liquidity.

The economic environment significantly impacts the Company's operations and financial position. Management is taking necessary measures to ensure the sustainable operations of the Company. However, future consequences of the prevailing economic situation are difficult to predict, and current expectations and management assessments may differ from actual results. The prospects for future economic stability in the Republic of Kazakhstan largely depend on the effectiveness of economic measures taken by the government, as well as on legal and political changes that are beyond the Company's control.

Furthermore, the electric power sector in the Republic of Kazakhstan remains subject to political, legislative, tax and regulatory changes within the Republic of Kazakhstan. The prospects for the economic stability of the Republic of Kazakhstan significantly depend on the effectiveness of economic measures undertaken by the Government, as well as on the development of legal, control and political systems, i.e., on circumstances that are beyond the Company's sphere of control.

On April 19, 2023 the Head of State signed the Law "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan (hereinafter - RK) on Administrative Reform Issues", which provides among other things for amendments to the Law "On Electric Power Industry (hereinafter - the Law)" regarding the change from July 1, 2023 of the wholesale electricity market target model through the introduction of the institution of a Single Electricity Purchaser (hereinafter - Single Purchaser) and the switching of the balancing electricity market from simulation to real modes (hereinafter - BRE).

The Single Purchaser of Electrical Energy – Financial Settlement Center for Renewable Energy Sources LLP, a legal entity with 100% state participation designated by the authorized body, which carries out centralized purchase and centralized sale of planned electricity volumes. Under this wholesale market model the Single Purchaser on an hourly basis centrally purchases declared planned electricity volumes from generating organizations excluding renewable energy sources that have bilateral agreements within planned schedules selling electricity at an averaged price for all consumers and in case of electricity deficit in the unified electric power system of the RK, carries out its planned import Centralized purchase of electricity from wholesale market entities is carried out by the Single Purchaser.

### Taxation

Kazakh taxation legislation and practice are in a state of continuous development and are therefore subject to varying interpretations and frequent changes, which may be retroactive. In some cases for the purpose of determining the taxable base, tax legislation refers to the provisions of IFRS and the interpretation of relevant IFRS provisions by Kazakh tax authorities may differ from the accounting policies, judgments and estimates applied by management in preparing these financial statements, which may result in additional tax liabilities for the Company. Tax authorities may conduct retrospective audits within five years after the end of the tax year.

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

### Taxation (continued)

The Company's management believes that its interpretations of the relevant legislation are acceptable and the Company's tax position is sound. In the opinion of the Company's management, the Company will not incur significant losses from current and potential tax claims exceeding the provisions recognized in these financial statements.

### Capital Commitments

The Company has analyzed its exposure to seasonal and other emerging business risks but has not identified any risks that could affect the Company's financial performance or position as of December 31, 2025. The Company has sufficient funds and sources of financing to meet its capital commitments and to provide working capital.

As of December 31, 2025, the Company had contractual commitments for the acquisition of fixed assets and capital services totaling approximately 184,603,316 thousand tenge excluding VAT (December 31, 2024: 431,554,923 thousand tenge).

The change in contractual commitments for the acquisition of fixed assets and capital services is related to the active phase of the implementation of the investment projects "Modernization of Almaty Thermal Power Plant-2 with Minimization of Environmental Impact" and "Reconstruction of Almaty Thermal Power *Plant-3" (Note 4).*

To cover these commitments, the Company intends to use its own funds and borrowed funds *(Note 14).*

### Investment liabilities

On November 30, 2025 an application was submitted to the Ministry of Energy of the Republic of Kazakhstan and to the Departments of the Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the Almaty city and Almaty region regarding the adjustment of the investment program for the Company's heat energy production services for 2022-2026. The adjusted planned amount of the investment program for 2025 was 1,623,361 thousand tenge excluding VAT; as of December 31, 2025 actual execution amounted to 1,670,922 thousand tenge excluding VAT. The deviation was 47,561 thousand tenge excluding VAT due to the additional procurement of fixed assets to ensure uninterrupted and reliable operation of the ZTK department equipment.

On November 30, 2025 an application was submitted to the Ministry of Energy of the Republic of Kazakhstan and to the Departments of the Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the Almaty city and Almaty region regarding the adjustment of the investment program for the Company's water supply services via main pipelines (preparation of chemically purified water) for 2021-2025. The adjusted planned amount of the investment program for 2025 was 48,332 thousand tenge excluding VAT; as of December 31, 2025 actual execution amounted to 48,332 thousand tenge excluding VAT.

A joint order of the Ministry of Energy of the Republic of Kazakhstan and the Departments of the Committee for Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan for the Almaty city and Almaty region regarding the adjustment of the investment program for the Company's heat energy production services for 2022-2026 and for water supply services via main pipelines (preparation of chemically purified water) for 2021-2025 is currently under review at the Ministry of Energy of the Republic of Kazakhstan for approval.

### Environmental Protection Issues

The Company's production activities are oriented towards minimizing environmental impact, rational use of natural resources, and preservation of biodiversity.

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

### Environmental Protection Issues (continued)

The Company acknowledges its responsibility to stakeholders for the rational use of natural resources and the preservation of a favorable environment, and guarantees the rational use of natural resources, and the consistent reduction of environmental impact through the implementation of new available, low-waste environmentally safe technologies, equipment, and materials, as well as the implementation of measures for climate change adaptation and the exclusion of possible environmental damage.

The Company adheres to the principles of sustainable development, which it understands as a balanced and socially acceptable combination of economic growth and the preservation of a favorable environment for future generations.

***The Company's Key Principles of Sustainable Development***

- Systematic reduction of the negative impact of technological processes on the environment and reduction of environmental risks through the implementation of best available technologies;
- Prioritization of measures to prevent negative consequences over measures to eliminate them;
- Maintenance of an environmental safety level corresponding to current international norms and requirements;
- Rational use of natural resources;
- Continuous monitoring of compliance with environmental safety requirements;
- Increasing the level of personnel competence in environmental protection matters;
- Interaction with stakeholders, public organizations and the media.

In accordance with the key principles of sustainable development the Company undertakes the following commitments:

- To comply with the requirements of the legislation of the Republic of Kazakhstan in the field of environmental protection and the sanitary-epidemiological well-being of the population;
- To conduct a comprehensive environmental impact assessment (EIA) of projects from the construction stage to the decommissioning stage of facilities;
- To ensure effective environmental protection activities and improve the management system for such activities;
- To increase the level of environmental safety at the Company's production facilities and take necessary measures to reduce the risk of emergency situations;
- To enhance the energy efficiency of production processes at all stages thereof;
- To ensure rational nature management reduce negative impacts on environmental components and compensate for potential environmental damage;
- To organize environmental education for the Company's employees and ensure their regular professional development;
- To ensure broad accessibility of environmental information regarding the Company's economic activities and transparency of environmental protection activities and related decision-making.

In 2021, a new Environmental Code entered into force in the Republic of Kazakhstan. This Code regulates public relations in the sphere of human interaction with nature (environmental relations), which arise in connection with the activities of individuals and legal entities that have or may have an impact on the environment. In addition to increasing the responsibility of industrial enterprises for environmental pollution the Environmental Code also provides for the introduction of a waste management hierarchy and prescribes requirements for the remediation of operational impacts.

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

### Environmental Protection Matters (continued)

***Main Principles of the Company's Sustainable Development (continued)***

The provisions of this Code mandate the obtaining of Integrated Environmental Permits (hereinafter referred to as "IEP") for Category I facilities commissioned after July 1, 2021. The basis for obtaining an IEP is the implementation of Best Available Techniques (hereinafter "BAT") in production issued by the Committee for Environmental Regulation and Control of the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan.

For power-generating organizations the Reference Document on Best Available Techniques "Fuel Combustion in Large Installations for Energy Production" (hereinafter "RD BAT") was developed and approved by the Decree of the Government of the Republic of Kazakhstan dated January 23, 2024. The basis for obtaining an Integrated Environmental Permit is the conclusion to the RD BAT approved in 2024.

Currently, AlES JSC has commenced the implementation of gasification projects for Almaty CHP-2 and CHP-3. The Company's Management is assessing the impact of BAT implementation on the cost of future operational and capital expenditures, as the return on investment for BAT implementation through the marginal tariff will lead to an increase in electricity marginal tariffs.

By Protocol № 21-03/07-1414 dated November 20, 2024, the deadline for BAT implementation and obtaining an Integrated Environmental Permit has been postponed from 2025 to 2031.

For continuous monitoring of atmospheric emissions the Company has installed automated emission monitoring systems at the main stationary emission sources at CHP-1, CHP-2 and ZTK. Since November 21, 2024, data from the ASM systems are transmitted in real-time to the National Data Bank of the Environmental Status of the Republic of Kazakhstan.

In accordance with the requirements of the Environmental Code enterprises have obligations for the remediation of operational impacts of facilities that negatively affect the environment. However, the remediation requirements depend on the category of production enterprises and construction sites, which are determined by the nature of the facilities, the degree of environmental impact and the scope of the enterprises' activities. Since the entry into force of the new requirements, the Company has been assessing the impact of these new requirements on the Company's financial statements. As a result of this work, the Company has recognized additional liabilities relating to the remediation of the operational impacts of its facilities.

Under the current version of the Environmental Code, the Company has an obligation to provide financial security for the remediation of Category I facilities by July 1, 2026. Financial security is provided in the form of, Financial security is provided in one of the forms of financial security listed above, or a combination thereof at the choice of the facility operator, provided that the proportion of financial security in the form of a bank deposit pledge shall be:

1) Ten years after the commissioning date of the facility (for existing facilities as of July 1, 2021, until 2031) - not less than fifty percent of the total amount of financial security;

2) Twenty years after the commissioning date of the facility for existing facilities as of July 1, 2021, until 2041 - one hundred percent of the total amount of financial security. The operator of a Category I facility must ensure the continuous availability of financial security until the full fulfillment of all its obligations for the remediation of the consequences of operating such a facility.

The amount of financial security is determined in accordance with, approved by the authorized body in the field of environmental protection, based on the estimated cost of remediation works for Category I facilities and is subject to recalculation every seven years.

As of the preparation of this report the Company has not determined the source and method of providing financial security. In discussions with representatives of the Ministry of Ecology, the Company's Management understands that amendments to legislative norms will be introduced in accordance with which the terms and deadlines for providing financial security may be revised.

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

### Environmental Protection Matters (continued)

***Key Principles of the Company's Sustainable Development (continued)***

Samruk-Energy JSC has received assurances from Samruk-Kazyna regarding the provision of necessary support to Samruk-Energy's subsidiaries, with the aim of ensuring the Company's compliance with financial security provision requirements. Furthermore, in accordance with Article 20.3 of the Law on Civil Protection, as well as paragraph 10 of the normative ruling of the Supreme Court dated December 22, 2016, the suspension of activities of facilities classified as categorized organizations is not permitted. Since the Company is a categorized organization in the event of failure to provide financial security by July 1, 2026, the Company's activities cannot be suspended based on the aforementioned ruling, which governs practical application of legislation.

The Company periodically assesses its environmental protection-related obligations at least annually. As obligations are identified, they are promptly reflected in the financial statements. Potential obligations that may arise from changes in existing legislation and regulations, as well as from judicial practice cannot be estimated with sufficient reliability, although they may prove to be significant. The Company's Management believes that under the existing system of control over compliance with current environmental legislation, there are no significant obligations arising from environmental damage except for those recognized or disclosed in the present financial statements.

### Impact of Environmental, Social, and Governance (ESG) Issues – Consideration of Climate Change and Related Risks

The Company shares the global community's concern regarding climate change and supports global efforts to reduce greenhouse gas emissions, increase energy efficiency, transition to renewable energy sources and phase out carbon fuels. The strategic objective of Samruk-Kazyna JSC, the ultimate controlling party of the Company is to reduce its carbon footprint by 10% by 2032 compared to 2021 and aims to achieve carbon neutrality by 2060. In general carbon neutrality does not preclude greenhouse gas emissions – the volume of emissions that cannot be reduced must be compensated.

With respect to identified climate change-related risks, the Company has assessed the impact of climate risks on the recognition/derecognition of assets and liabilities, the measurement of such assets and liabilities and disclosures in financial statements. The areas listed below are primarily exposed to climate change-related risks:

a) The Company has initiated projects for the construction of new combined cycle gas turbine plants at Almaty CHP-2 and CHP-3 to replace existing coal-fired equipment with modern, environmentally friendly combined cycle power units, which will reduce the load on the atmosphere and decrease the volume of ash and slag waste generated; and

b) The Company has assessed and recognized provisions for the decommissioning of operational facilities and the restoration of environmental damage in accordance with recently introduced regulatory requirements under the Environmental Code.

*Management of Environmental Management Aspects*

The Environmental Management System (hereinafter referred to as EMS) is part of the corporate management system. The purpose of implementing and operating the EMS is to ensure compliance with environmental protection requirements by the Company's production departments as a result of their activities, as well as by contractors and subcontractors performing work and providing services on the premises of the production departments.

The Company continuously improves its EMS and directs all efforts to reduce its negative impact on the environment, Including, but not limited to greenhouse gas emissions into the atmosphere, emissions and discharges of pollutants and the management of production and consumption waste, and industrial waste.

### 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

**Impact of Environmental, Social and Governance (ESG) Issues – Consideration of Climate Change and Related Risks (continued)**

*Management of Environmental Management Aspects (continued)*

The Company has defined directions for the implementation of its environmental policy, as an integral part of the EMS:

- Ensuring compliance with the requirements of the current environmental legislation of the Republic of Kazakhstan and corporate environmental protection standards;
- Continuous improvement of the environmental management system and ensuring its sustainable functioning;
- Technological modernization and phased decommissioning of obsolete equipment, implementation of best available technologies, improvement of production processes;
- Reduction of waste generation and environmental disposal volumes, safe waste management, implementation of industrial waste recycling projects;
- Environmental impact assessment of the planned activities of its production departments on the environment, personnel and public health based on the comparison of alternative options;
- Engaging personnel in the implementation of environmental safety measures, developing the environmental culture of the organization's employees by informing each employee of the environmental aspects of operations and their impact on the environment.

The Company has identified significant environmental aspects based on which environmental risks have been assessed and environmental objectives have been established, and has developed and implemented environmental protection programs.

The current significant environmental aspects for the Company are recognized as: atmospheric emissions from main equipment, during fuel combustion in boiler units and auxiliary equipment, during the support of the main process of electricity and heat energy generation, as well as during the implementation of modernization and reconstruction projects of coal-fired power plants, wastewater discharge into surface water bodies, landfilling of ash and slag waste and temporary storage of production and consumption waste on the territory of production departments, harmful physical impacts, and other environmental aspects indirectly affecting the main process of electric power generation.

Review and updating of environmental aspects are carried out in cases of:

1) Changes in the legislation of the Republic of Kazakhstan in the field of environmental protection;
2) Changes in the methodology for identifying environmental aspects and determining their significance;
3) Changes in technological processes with the emergence of new impact sources.

The senior management of the Company ensures the availability of human, technological and financial resources necessary for the development. Implementation, operation and improvement of the environmental management system in accordance with the legislative requirements of the Republic of Kazakhstan in the field of environmental protection.

According to the EMS environmental protection is carried out by:

- Developing and implementing plans of measures aimed at ensuring environmental protection;
- Mandatory environmental insurance for activities related to product manufacturing, construction, installation and repair work;
- Conducting industrial environmental control and monitoring of emissions waste, etc.;
- Performing planned preventive maintenance.

## 21. CONTINGENCIES, COMMITMENTS AND OPERATING RISKS (continued)

### Impact of Environmental, Social and Corporate Governance (ESG) Issues – Consideration of Climate Change and Related Risks (continued)

*Management of Environmental Management Aspects (continued)*

Annually on a quarterly basis, the Company conducted internal EMS audits to ensure compliance with the regulatory legal acts of the Republic of Kazakhstan and regulatory and technical documents in the field of environmental protection, to monitor the state of the environment, identify environmental aspects and assess risks, eliminate non-conformities identified during previous audits, and implement environmental protection measures.

Based on the results of the internal audit, corrective and preventive measures were developed to eliminate non-conformities, which were fully implemented.

*Industrial Environmental Control and Monitoring*

The Company implements industrial environmental control programs on a quarterly basis, developed in accordance with the requirements of the Environmental Code of the Republic of Kazakhstan and designed to perform the following tasks:

- Obtaining operational information on the impact of main and industrial processes on the environment;
- Implementing corrective and preventive actions and responding promptly to emergency situations;
- Informing stakeholders (local population, state regulatory bodies, partner companies) about the environmental activities of the enterprise and measures taken to reduce environmental impact on the environment.

Within the framework of environmental control, observations are carried out for emissions into the environment – emissions into the atmosphere, discharges into water bodies, volumes of waste accumulation and disposal, as well as for the quality of environmental components – ambient air, surface and underground waters, soil at the border of sanitary protection zones of industrial enterprises.

In 2024, automated emission monitoring systems (hereinafter - AMS) were installed on the stationary emission sources of CHP-1, CHP-2, ZTK, which allow for online monitoring of compliance with emission standards. Since November 2024, averaged data from the AMS have been transmitted to the National Bank of Environmental Data of the Republic of Kazakhstan every 20 minutes and are monitored by the authorized body in the field of environmental protection.

### Compliance with Loan Agreement Covenants

The Company must comply with certain conditions, primarily related to loans and borrowings. Failure to comply with these conditions may lead to negative consequences for the Company, including an increase in the cost of borrowed funds and a declaration of default. As of December 31, 2025 and December 31, 2024, the Company complied with the conditions stipulated by the loan agreements.

### Reserve for Landfill Reclamation

In accordance with environmental legislation, the Company has a legal obligation to reclaim the ash dump site, which represents disposal sites for the Company's operational waste. As of December 31, 2025, the carrying amount of the reserve for ash dump reclamation was 2,766,376 thousand tenge (December 31, 2024: 2,512,255 thousand tenge) *(Note 12).*

The assessment of existing reserves for ash dump reclamation is based on the Company's interpretation of the current environmental legislation of the Republic of Kazakhstan, supported by feasibility studies and engineering research in accordance with current norms and methods for reclamation and recultivation work. This assessment may change upon completion of subsequent environmental research and revision of existing recultivation and reclamation programs.

### 22. FINANCIAL RISK MANAGEMENT

**Financial Risk Factors**

The Company's risk management function is carried out with respect to financial, operational and legal risks. Financial risks include market risk (currency risk, interest rate risk, and other price risk), credit risk, and liquidity risk. The main objective of financial risk management is to determine risk limits and further ensure compliance with established limits. Management of operational and legal risks should ensure the proper functioning of internal policies and procedures to minimize these risks.

***(a) Credit Risk***

The Company is exposed to credit risk, namely the risk that one party to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. Exposure to credit risk arises from the Company's rendering of services on a deferred payment basis and other transactions with counterparties that result in financial assets.

Financial assets on which the Company has potential credit risk exposure are primarily trade receivables and other financial receivables, placed deposits, cash and cash equivalents.

*Credit Risk Management*

The Company has established procedures to ensure that services are sold only to customers with an appropriate credit history. Customers who do not meet the Company's creditworthiness requirements may conduct transactions with the Company only on a pre-payment basis.

Funds are placed with financial institutions that have minimal default risk at the time of account opening. Furthermore, the Company analyzes external ratings of financial institutions.

The maximum credit risk exposure reflects the current carrying amounts of trade receivables, loans granted, deposits placed and other financial assets, net of impairment losses.

Although the rate of recovery of receivables is influenced by economic factors, the Company's management believes there is no significant risk of loss beyond the amounts provided for impairment of trade receivables.

The main portion of trade receivables consists of balances due from related parties. For other balances, there is no history of significant counterparty default.

*Credit Risk Classification System*

For the purpose of assessing credit risk and classifying financial instruments by credit risk level, the Company uses the assessment of risk levels provided by external international rating agencies (Standard & Poor’s [S&P], Fitch, Moody’s). where available.

External ratings are assigned to counterparties by independent international rating agencies such as S&P, Moody’s and Fitch. These ratings are publicly available. Such ratings and their corresponding probability of default ranges are applied to the following financial instruments: deposits placed, cash and cash equivalents *(Note 10).*

*Expected Credit Loss (ECL) Assessment*

The need for impairment is assessed at each reporting date using a provision matrix to estimate expected credit losses.

For short-term trade receivables without a significant financing component, the Company applies the simplified approach required by IFRS 9 and estimates the loss allowance for expected credit losses over the credit term from the initial recognition of the receivable.

### 22. FINANCIAL RISK MANAGEMENT (continued)

**Financial Risk Factors (continued)**

***(a) Credit Risk (continued)***

*Expected Credit Loss (ECL) Assessment (continued)*

Provision rates are set based on the number of days past due for groups of different customer segments with similar loss emergence characteristics (i.e. by geographic region type and rating of the buyer and other characteristics).

The calculation of expected outcomes weighted by probabilities, compares the cost of less and reasonable and corroboration information on past events current conditions and forecast future economic conditions available as of the reporting date. As a rule trade receivables are written off when they are more than one year past due and no enforcement procedures are applied. The Company holds no assets transferred as collateral for its outstanding receivables.

The Company assesses its concentration risk with respect to trade and other receivables as low, as its customers are located in several jurisdictions, operate in multiple industries and markets that are largely independent.

Information on the Company's exposure to credit risk on trade and other receivables using a provision matrix is presented *in Note 9.*

The maximum credit risk arising from the Company's classes of assets includes the following:

| *In thousands of Kazakhstani Tenge* | **Rating (Moody's/S&P)** | **December 31, 2025** | December 31, 2024 |
|---|---|---|---|
| **Gross book value** | | | |
| Trade and other financial receivables | not present | **28,407,968** | 19,253,816 |
| Restricted Cash | BB | **–** | 933 |
| ***Cash and cash equivalents*** | | | |
| Kazpost JSC | BBB- | **5,530,001** | 15,313,007 |
| Bank of China (China) JSC | | **1,602,914** | – |
| Halyk Bank of Kazakhstan JSC | BBB- | **51,924** | 1,067,198 |
| Eurasian Development Bank | | **26,691** | – |
| Jysan Bank JSC | Ba2 | **12,545** | 1,708 |
| RBK Bank JSC | Ba1 | **–** | 3,128 |
| Other | BBB- | **4** | 670 |
| **Total cash and cash equivalents** | | **7,224,079** | 16,385,711 |
| **Allowance for expected credit losses (IFRS 9 "Financial Instruments")** | | | |
| Trade and other financial receivables | | **(972,598)** | (791,191) |
| Cash and cash equivalents | | **(467)** | (1,200) |
| **Total** | | **34,658,982** | 34,848,069 |

As of December 31, 2025, the majority of cash and cash equivalents (over 90%) are held with a single financial institution. Kazpost JSC, which has a rating of BBB- according to S&P classification, Kazpost JSC provides brokerage services, including repo operations. This indicates a high concentration of credit risk associated with this counterparty. In the event of a deterioration in the financial condition of this bank, the Company may face restrictions in accessing liquidity.

The Company recognizes the risks associated with the high concentration of cash in a single bank and is undertaking measures to manage credit risk including regular assessment of the financial stability of partner banks. It monitors compliance by partner banks with the prudential norms of the National Bank of the Republic of Kazakhstan. It monitors changes in ratings/rating outlooks of banking and financial organizations from international rating agencies.

## 22. FINANCIAL RISK MANAGEMENT (continued)

### Financial Risk Factors (continued)

#### *(b) Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations. The Company is exposed to risk due to the daily need to utilize available cash. The Company manages liquidity risk using short-term (monthly) forecasts of expected cash outflows from operating activities. The Company has developed a number of internal regulations aimed at establishing control procedures for the appropriate placement of temporarily free cash accounting for and payment of invoices, as well as regulations for the preparation of operational budgets. The Company's objective is to maintain a balance between continuous financing and flexibility through the use of bank deposits.

The table below presents an analysis of the Company's financial liabilities by maturity date indicating the time remaining until the contractual maturity dates as of the reporting date. The amounts disclosed in the maturity table represent contractual undiscounted cash flows.

| *In thousands of Kazakhstani Tenge* | **On demand and in term less than 1 month** | **1 to 6 months** | **6 to 12 months** | **12 months to 3 years** | **Over 3 years** | **Total** |
|---|---|---|---|---|---|---|
| **As of December 31, 2025** | | | | | | |
| Borrowings and bonds issued | **1,017,446** | **17,903,908** | **14,220,498** | **57,486,025** | **215,807,420** | **306,435,297** |
| Trade and other payables | **58,526,306** | **–** | **–** | **13,083,022** | **–** | **71,609,328** |
| **Total financial liabilities** | **59,543,752** | **17,903,908** | **14,220,498** | **70,569,047** | **215,807,420** | **378,044,625** |
| **As of December 31. 2024** | | | | | | |
| Borrowings and bonds issued | – | 7,835,352 | 1,876,589 | 8,489,139 | 47,738,051 | 65,939,131 |
| Trade and other payables | 70,806,730 | – | – | 2,235,973 | – | 73,042,703 |
| **Total financial liabilities** | 70,806,730 | 7,835,352 | 1,876,589 | 10,725,112 | 47,738,051 | 138,981,834 |

#### *(c) Market Risk*

*Interest Rate Risk*

Based on the results of 2025 and 2024 within the framework of utilizing long-term borrowed funds from the EBRD and ADB, loans with a floating interest rate tied to the TONIA CR6m indicator were attracted. This may affect the cost of debt servicing depending on the dynamics of market interest rates. An increase in the TONIA CR6m indicator will lead to an increase in interest expenses, which may increase the debt burden. A decrease in the rate will reduce the cost of debt servicing, which will favorably affect the Company's financial performance.

## 22. FINANCIAL RISK MANAGEMENT (continued)

### Financial Risk Factors (continued)

#### *(c) Market Risk (continued)*

Sensitivity of interest expenses to changes in the floating rate TONIA in thousands of Tenge:

| | Increase in basis points | Impact on profit before tax-ation |
|---|---|---|
| **2025** | | |
| Tenge | **+50** | **4,338,820** |
| Tenge | **+100** | **17,268,667** |
| Tenge | **+150** | **22,430,938** |
| Tenge | **+200** | **27,593,210** |
| 2024 | | |
| Tenge | +50 | 2,079,557 |
| Tenge | +100 | 4,159,113 |
| Tenge | +150 | 6,238,670 |
| Tenge | +200 | 8,318,227 |

*Foreign Exchange Risk*

Foreign exchange risk arises when future foreign currency revenues or recognized assets and liabilities are denominated in a currency other than the Company's functional currency.

Part of the accounts payable for primary operations is denominated in foreign currency (in euros and yuan), therefore, the Company is exposed to foreign exchange risk. Due to the limited choice of derivative financial instruments in the Kazakhstan market and because such instruments are expensive, management has decided not to hedge foreign exchange risk, as the benefits from such instruments do not cover the corresponding expenses.

The table below shows the total amounts of foreign currency-denominated liabilities that cause exposure to foreign exchange risk:

| | Euro | | Yuan | |
|---|---|---|---|---|
| *In thousands of Tenge* | Balance in currency | Carrying amount | Balance in currency | Carrying amount |
| **As of December 31, 2025** | | | | |
| Liabilities under EPCM contracts | **19,326,079** | **11,198,379** | **129,584,422** | **9,375,469** |
| **As of December 31, 2024** | | | | |
| Liabilities under EPCM contracts | | | | |
| **Net position** | **19,326,079** | **11,198,379** | **129,584,422** | **9,375,469** |

The table below presents the impact on net profit and equity resulting from possible changes in exchange rates used at the end of the reporting period for the Company's functional currency, assuming all other variables remain constant.

| | Change in exchange rate | Impact on equity Equity before taxation |
|---|---|---|
| | **thousand KZT** | **thousand KZT** |
| **2025** | **+15.88%** | **(1,488,510)** |
| | **-12.53%** | **1,174,649** |
| 2024 | +10% | (79,887) |
| | -10% | 79,887 |

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 22. FINANCIAL RISK MANAGEMENT (continued)

### Financial Risk Factors (continued)

***(b) Market Risk (continued)***

| | Change in exchange rate euro | Impact on equity before taxation |
|---|---|---|
| | thousand tenge | thousand tenge |
| **2025** | **+22.29%** | **(2,496,001)** |
| | **-4.26%** | **476,514** |
| 2024 | +10% | (2,632,151) |
| | -10% | 2,632,151 |

The Company has foreign exchange risk and is exposed to adverse changes in the volatility of the Tenge exchange rate, as financial liabilities in foreign currency constitute approximately 11% of total liabilities as of December 31, 2025.

*Price Risk*

The Company is not exposed to price risk of equity securities, as it does not hold a portfolio of quoted equity securities.

*Capital Management*

The Company's objectives in managing capital are to ensure the Company's ability to continue as a going concern for the benefit of shareholders and other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue debt to reduce borrowings. The Company monitors capital on the basis of the equity to debt ratio. This ratio is defined as net debt divided by total capital. Net debt is defined as total borrowings (including 'short-term borrowings' and 'long-term borrowings' as reflected in the statement of financial position) less cash and cash equivalents. Total capital is defined as 'Total equity' as reflected in the statement of financial position plus net debt. The Company has complied with all externally imposed capital requirements in 2025 and 2024.

## 23. FAIR VALUE DISCLOSURES

### Fair Value Estimation

The results of fair value estimation are analyzed and categorized by level in the fair value hierarchy as follows: (i) Level 1 includes valuations based on unadjusted quoted market prices in active markets for identical assets or liabilities, (ii) Level 2 includes valuations derived from valuation models where all significant inputs are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices), and (iii) Level 3 includes valuations that are not based on observable market data (i.e., based on unobservable inputs). When classifying financial instruments into a particular level in the fair value hierarchy management uses judgment. If an observable datum used in a fair value estimate requires a significant adjustment, it is classified as Level 3. The significance of the inputs used is assessed for the fair value estimation in its entirety.

### 23. FAIR VALUE DISCLOSURES (continued)

#### Fair Value Estimation (continued)

All of the Company's financial instruments are accounted for at amortized cost. Their fair values at Level 2 of the fair value hierarchy were estimated using the discounted cash flow method.

| | **December 31, 2025** | | | | December 31, 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| *In thousands of Kazakhstan Tenge* | **Prices quoted on the active market (Level 1)** | **Significant observable inputs (Level 2)** | **Significant unobservable inputs Level 3** | **Carrying amount** | Price quotations in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Carrying amount |
| **Assets** | | | | | | | | |
| Cash and cash equivalents | **7,230,923** | **–** | **–** | **7,230,923** | 16,392,271 | – | – | 16,392,271 |
| Trade and other receivables | **–** | **–** | **27,435,370** | **27,435,370** | – | – | 18,462,625 | 18,462,625 |
| **Total financial assets** | **7,230,923** | **–** | **27,435,370** | **34,651,637** | 16,392,271 | – | 18,462,625 | 34,854,896 |
| **Liabilities** | | | | | | | | |
| Borrowings and bonds issued | **–** | **7,960,525** | **298,474,772** | **306,435,297** | – | – | 65,939,131 | 65,939,131 |
| Trade and other payables | **–** | **–** | **58,526,306** | **58,526,306** | – | – | 70,806,730 | 70,806,730 |
| **Total financial liabilities** | **–** | **7,960,525** | **357,001,078** | **364,961,603** | – | – | 136,745,861 | 136,745,861 |

#### Financial Assets Carried at Amortized Cost

The estimated fair value of fixed-interest instruments is based on discounting of expected future cash flows at current interest rates for new instruments with similar credit risk and maturity. The discount rate used depends on counterparty credit risk. The carrying amount of the Company's financial assets is approximately equal to their fair value due to the short-term nature of such instruments.

#### Financial Liabilities Carried at Amortized Cost

The fair value of liabilities is determined by using valuation techniques. The estimated fair value of instruments with floating TONIA rate, as well as fixed interest rate and defined maturity is based on expected discounted cash flows using interest rates for new instruments with similar credit risk and maturity.

The fair value of liabilities redeemable on demand or upon giving notice ("demand redeemable liabilities") is calculated as the amount payable on demand, discounted from the earliest date of potential demand for redemption of the liability. The discount rates used range from 18.17% to 19.84% per annum (December 31, 2024: 17.5% to 17.9% per annum) depending on the maturity of the liability. The fair value of loans is disclosed in Note 14. The carrying amount of the Company's *other financial* liabilities, including long-term trade payables, is approximately equal to their fair value due to the short-term nature of such instruments and the nature of long-term liabilities.

### 24. EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in the financial statements.