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National Information Technologies Joint Stock Company (JSC)

Financial statements
for the period ended 31 December 2024

CONTENT

MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2024.

The management is responsible for the preparation of the financial statements of National Information Technologies JSC (hereinafter – the Company) that present fairly the financial position of the Company as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year ended 31 December 2024, in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements, management is responsible for:

- ensuring proper selection and application of accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance
- assessing the Company's ability to continue as a going concern.

The management of the Company is also responsible for:

- development, implementation and maintenance of an effective and reliable system of internal control of the Company;
- maintaining records in a form that allows you to disclose and explain the transactions of the Company, as well as provide at any date information of sufficient accuracy about the financial position of the Company and ensure that financial statements comply with IFRS;
- accounting in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonably possible measures to ensure the safety of the assets of the Company; and
- identification and prevention of facts of financial and other abuses.

The financial statements of the Company for the year ended 31 December 2024 were approved by management as at 15 May 2025.

We note, to the best of our knowledge and belief, that there have been no events subsequent to the statement of financial position date and prior to the date of this statement that would require the adjustments or disclosures set forth above.

On behalf of the Company's management:

S. Ashirbekov

Acting Chairman of the Board

S.A. Akhanov

Managing Director for Finance

A.S. Smagulova.

Director of the Accounting and Tax Accounting Department – Chief Accountant

15 May 2025

Astana, Republic of Kazakhstan

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INDEPENDENT AUDITOR'S REPORT

To the founders of National Information Technologies JSC

Opinion

We have audited the financial statements of National Information Technologies JSC (hereinafter - the Company), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give, in all material respects, a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Responsibilities of the Auditor 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' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

We determined that there were no key audit matters to report in our opinion.

Important circumstances

We note that on page 25 to the accompanying financial statements, Note 4 Significant Judgments and Key Sources of Uncertainty Related to Estimates, discloses management's judgment in the presentation of the financial statements.

Information about significant events that are indicative of business conditions that arose after the reporting date in which the Company operates and management's assessment of National Information Technologies JSC after these events is disclosed in the Events After the Reporting Date note on page 41.

We do not express a modified audit opinion in connection with this matter.

Responsibilities of management and those responsible for corporate governance for financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for the internal control system that management considers necessary to prepare financial statements that are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue to operate continuously, for disclosing, as appropriate, information related to business continuity, and for preparing statements based on the going concern assumption, unless management intends to liquidate the Company, terminate its activity or when it does not have any other real alternative, except liquidation or termination of activity.

Those responsible for corporate governance are responsible for overseeing the preparation of the financial statements of the Company.

Misstatements may be the result of fraud or error and are considered material if it can reasonably be assumed that, individually or collectively, it may affect the economic decisions of users based on these financial statements.

We apply professional judgment and maintain professional skepticism throughout the audit as part of the audit conducted in accordance with the International Auditing Standards. In addition, we do the following:

- we 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 the risk of not detecting a material misstatement resulting from error because fraud may include collusion, forgery, willful omission, misrepresentation, or actions to circumvent internal control;
- we obtain an understanding of internal control relevant to our 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;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management;
- we conclude that it is legitimate for management to apply the going concern assumption, and based on the audit evidence obtained, it concludes that there is significant uncertainty in connection with events or conditions that could result in significant doubts about the Company's ability to continue its business. If we conclude that there is material uncertainty, we must draw attention in our audit report to the appropriate disclosures in the financial statements or, if such disclosures are inappropriate, to modify our opinion. Our findings are based on audit evidence obtained prior to the date of our audit opinion. However, future events or conditions may cause the Company to lose its ability to continue to operate continuously;
- we evaluate the presentation of the financial statements as a whole, its structure and content, including disclosure of information, as well as whether the financial statements represent the underlying operations and events in such a way that their reliable presentation is ensured.

We carry out informational interaction with persons responsible for corporate governance, bringing to their attention, among other things, information about the planned volume and timing of the audit, significant observations on the results of the audit, as well as significant shortcomings of the internal control system that we identify during the audit.

Adilzhan Kenzhekulov
Audit Partner

The qualification certificate of the auditor
No. 1-PN 0001018 dated 30 January 2020.

Sholpanay Kudaibergenova
General Director
IAC Russell Bedford A+ Partners LLP

The state license for engaging in audit activities in the Republic of Kazakhstan No. 18013076, issued by the Committee of Internal State Audit of the Ministry of Finance of the Republic of Kazakhstan dated 3 July 2018.

15 May 2025

Astana, Republic of Kazakhstan

National Information Technologies JSC
Statement of financial position
As at 31 December 2024

KZT'000	Note	As at 31 December 2024	As at 31 December 2023
ASSETS			
Non-current assets			
Right-of-use asset	10	535 008	1 070 009
Property, plant and equipment	11	125 668 057	24 869 024
Intangible assets	12	5 904 400	2 884 642
Total non-current assets		**132 107 465**	**28 823 675**
Current assets:			
Cash and cash equivalents	5	31 300 910	35 557 020
Other short-term financial assets	6	-	109 136
Short-term trade and other receivables	7	961 193	1 411 047
Current income tax		1 008 938	489 668
Inventories	8	317 758	268 149
Other current assets	9	14 082 597	15 897 208
Assets (or disposal groups) held for sale		-	8 142
Total current assets		**47 671 396**	**53 740 370**
Total assets		**179 778 861**	**82 564 045**
CAPITAL AND LIABILITIES			
Current liabilities			
Short-term trade and other payables	13	57 791 988	22 065 918
Short-term estimated liabilities	14	4 137 943	1 928 289
Employee benefits	15	2 738 131	1 668 223
Short-term lease receivables	10	660 130	956 995
Current liabilities under contracts with customers		119 638	10 129
Other current liabilities	16	485 458	604 490
Total current liabilities		**65 933 288**	**27 234 044**
Non-current liabilities			
Long-term liabilities – bonds	17	3 000 000	-
Long-term trade and other payables	18	23 713 044	-
Deferred tax liabilities	28	1 154 394	906 950
Long-term lease receivables	10	-	660 105
Deferred income	19	617 639	-
Total non-current liabilities		**28 485 077**	**1 567 055**
Equity			
Share capital	20	46 157 294	18 507 365
Retained earnings (uncovered loss)		39 203 202	35 255 581
Total equity		**85 360 496**	**53 762 946**
Total equity and liabilities		**179 778 861**	**82 564 045**

S.M. Ashirbekov
Acting Chairman of the Board

S.A. Akhanov
Managing Director for Finance

A.S. Smagulova
Director of the Accounting and Tax Accounting Department – Chief Accountant

The notes on pages 10-41 form the integral part of these financial statements.

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KZT'000	Note	2024	2023
Revenue from sales of goods, works and services	**21**	70 952 359	61 807 972
Cost of goods, works and services sold	**22**	(64 469 251)	(52 743 583)
Gross profit		**6 483 108**	**9 064 389**
Selling expenses		(1 399)	(1 255)
Administrative expenses	**23**	(2 157 213)	(1 583 404)
Financial income	**24**	1 810 792	4 401 753
Financial expenses	**25**	(720 546)	(447 496)
Other income	**26**	660 664	146 868
Other expenses	**27**	(414 668)	(133 783)
Profit before tax		**5 660 738**	**11 447 072**
Income tax expense	**28**	(1 856 199)	(1 731 163)
Profit for the year		**3 804 539**	**9 715 909**
Other comprehensive income			-
Total comprehensive income for the year		**3 804 539**	**9 715 909**

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KZT'000	2024	2023
I. Cash flows from operating activities		
1. Cash inflow, total	**82 647 217**	**73 485 166**
including:		
sale of goods and services	79 775 930	68 900 027
advances received from buyers, customers	119 638	10 129
remuneration received	532 360	4 334 448
other receipts	2 219 289	240 562
2. Cash outflow, total	**77 614 571**	**63 333 181**
including:		
payments to suppliers for goods and services	55 221 149	32 678 462
advances paid to suppliers of goods and services	108 167	11 992 608
salary payments	13 095 269	10 281 041
payment of remuneration	720 546	447 496
income tax and other payments to the budget	8 160 312	6 733 220
other payments	309 128	1 200 354
3. Net cash flows from operating activities	**(5 032 646)**	**10 151 985**
II. Cash flows from investing activities		
1. Cash inflow, total	**1 625**	**7 021**
other receipts	1 625	7 021
2. Cash outflow, total	**38 845 962**	**15 169 679**
including:		
purchase of property, plant and equipment	37 023 990	13 699 417
acquisition of intangible assets	1 821 972	1 470 262
3. Net cash flows from investing activities	**(38 844 337)**	**(15 162 658)**
III. Cash flows from financing activities		
1. Cash inflow, total	**30 620 142**	**5 000 000**
issue of shares and other financial instruments	30 620 142	5 000 000
2. Cash outflow, total	**1 077 833**	**4 736 062**
other disposals	1 077 833	4 736 062
3. Net cash flows from financing activities	**29 542 309**	**263 938**
4. Effect of exchange rates to KZT	**(9 835)**	**(3 430)**
5. Effect of change in carrying value of cash and cash equivalents	**(3 437)**	**(7 058)**
6. Increase +/- decrease in cash	**(4 256 110)**	**(4 757 223)**
7. Cash and cash equivalents at the beginning of the reporting period	**35 557 020**	**40 314 243**
8. Cash and cash equivalents at the end of the reporting period	**31 300 910**	**35 557 020**

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Director of the Accounting and Tax Accounting Department – Chief Accountant

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National Information Technologies JSC
Statement of changes in equity
for the reporting period 2024

KZT'000	Note	Share capital	Retained earnings	Total
As at 1 January 2023		13 507 365	25 539 681	39 047 046
Profit for the year		-	9 715 909	9 715 909
Contribution to share capital		5 000 000	-	5 000 000
Other transactions		-	(9)	(9)
As at 31 December 2023		**18 507 365**	**35 255 581**	**53 762 946**
Profit for the year			3 182 528	3 182 528
Contribution to share capital	**20**	27 649 929	-	27 649 929
Other transactions (revision of useful lives of PPE and IA)		-	143 082	143 082
As at 31 December 2024		**46 157 294**	**39 203 202**	**85 360 496**

S.M. Ashirbekov
Acting Chairman of the Board

S.A. Akhanov
Managing Director for Finance

A.S. Smagulova
Director of the Accounting and Tax Accounting Department – Chief Accountant

The notes on pages 10-41 form the integral part of these financial statements.

1. GENERAL INFORMATION

a) Organizational structure and activities

Full and abbreviated name:

- Full – National Information Technologies Joint Stock Company
- Abbreviated - NIT JSC

The Company was established in accordance with the Resolution of the Government of the Republic of Kazakhstan No. 492 dated 4 April 2000 On the Development of a Unified Information Space in the Republic of Kazakhstan and the Establishment of National Information Technologies Closed Joint Stock Company. The Company was reorganized in accordance with the Law of the Republic of Kazakhstan No. 415 On Joint Stock Companies dated 13 May 2003 and re-registered as at 1 October 2004 under the number 9922-1901 JSC assigned by the Ministry of Justice of the Republic of Kazakhstan, BIN is 000740000728.

The Sole Shareholder of the Company: Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan (hereinafter referred to as the Sole Shareholder). In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 540 dated 5 August 2022 On Some Issues of National Info-Communication Holding Zerde Joint Stock Company, the Sole Shareholder was granted the rights of ownership and use of a block of shares of National Information Technologies Joint Stock Company. The transactions on writing off the Company's shares from the personal account of Zerde Holding JSC were registered in the nominee holder accounting systems of Information and Accounting Center JSC and Central Securities Depository JSC as at 18 April 2023.

In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 40 dated 29 January 2016, the Company was determined as an operator of the information and communication infrastructure of the Electronic Government.

In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 696 dated 11 November 2016 On Reorganization of National Information Technologies Joint Stock Company and Kazsatnet National Company Joint Stock Company, Kazsatnet NC JSC was merged with the Company with the transfer of all property, rights and obligations.

According to the Resolution of the Government of the Republic of Kazakhstan No. 25 dated 23 January 2024, the Company was determined as the operator of the national artificial intelligence platform. In accordance with the Resolution of the Government of the Republic of Kazakhstan No. 592 dated 24 July 2024, the Company is one of the main executors of the Action Plan for the Implementation of the Concept of Artificial Intelligence Development for 2024-2029.

Legal address and actual location of the Company:

55/15 Mangilik El Avenue, Yesil district, Astana, 010000, Republic of Kazakhstan.

b) The Company carries out the following types of activities (according to the Charter):

1) ensuring compliance with unified requirements in the field of information and communication technologies and ensuring information security requirements for the development of e-government architecture, data management requirements;
2) implementation of system-technical maintenance and support of information and communication infrastructure objects of electronic government in accordance with the list approved by the authorized body;
3) has the right to attract information and communication infrastructure objects of other persons for development of information and communication infrastructure of electronic government, as well as other persons for maintenance and system-technical maintenance of information systems of state bodies;

4) provision of information and communication services to state bodies;

5) ensuring security of storage of state electronic information resources placed on the information and communication infrastructure of e-government assigned to the operator;

6) ensuring security of storage of state electronic information resources when providing information and communication services;

7) ensuring prompt response to identified deficiencies in the provision of information and communication services, as well as public services in electronic form, and taking measures to eliminate them;

8) provision of the service of providing information and communication platform of e-government for creation, development and placement of e-government informatization objects;

9) implementation of integration and connection of informatization objects of e-government to the gateway of e-government and the national gateway of the Republic of Kazakhstan, as well as connection of informatization objects of state bodies to the information and communication infrastructure of e-government;

10) provides communication services to state bodies, their subordinate organizations, local self-government bodies, as well as other subjects of informatization, determined by the authorized body and connected to the unified transport environment of state bodies, for functioning of their electronic information resources and information systems. For the provision of communication services it has the right to attract other persons as subcontractors (co-executors) of services;

11) implementation of creation and development of information and communication platform of e-government and unified transportation environment of state bodies;

12) implementation of maintenance and system-technical service of the national gateway of the Republic of Kazakhstan;

13) maintenance and system-technical support of the root certification center of the Republic of Kazakhstan, certification center of the state bodies of the Republic of Kazakhstan, national certification center of the Republic of Kazakhstan and trusted third party of the Republic of Kazakhstan;

14) realization of information filling of the web portal of e-government with electronic information resources provided by state bodies and other subjects of rendering services in electronic form;

15) provision of consulting assistance to state bodies in the development of information and communication infrastructure objects of e-government;

16) implementation of project management for the development of information and communication infrastructure objects of the e-government and the national gateway of the Republic of Kazakhstan;

17) implementation of collection, processing, storage and transfer of electronic information resources for the implementation of data analytics in accordance with the data management requirements approved by the authorized body on data management;

18) implementation of data collection, processing, storage and transmission on the information and communication platform of e-government in accordance with the data management requirements approved by the authorized data management authority;

19) rendering services on provision of information and communication infrastructure for provision of information, reference and consulting services to legal entities;

20) accounting and storage of developed software, source program codes (if any), set of settings of licensed software of e-government informatization objects;

21) implementation of activities of the operator of the unified information system of compulsory technical inspection of motor vehicles and trailers thereto, which performs maintenance, development, integration and support of the unified information system of compulsory technical inspection of motor vehicles and trailers thereto;

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22) implementation of the activity of the national operator (national administrator) of the system of electronic passports of vehicles (vehicle chassis passports) and electronic passports of self-propelled machines and other types of machinery, carrying out the organization of work with the administrator of electronic passport systems with security and interaction with the participants of the electronic passport system and authorities;

23) carrying out activities of the operator of data of control devices of accounting in the field of production and turnover of petroleum products, providing automated online transfer of data of control devices of accounting to the authorized body in the field of turnover of petroleum products, its territorial subdivisions, as well as to the authorized body in the field of production of petroleum products;

24) implementation of activities of the operator of data of control metering devices in the field of production of ethyl alcohol and alcoholic beverages, providing automated online transmission of data of control metering devices to the authorized body and its territorial subdivisions.

Types of activities requiring a license or other type of permit, which must be obtained in accordance with the procedure established by law, shall be carried out only after obtaining the relevant licenses or other type of permits.

The Company shall be entitled to carry out activities technologically related to the production of goods, performance of work, rendering of services related to the sphere of special law.

c) The Company uses the following licenses in the course of its activities:

- The state license on certification of conformity of the open key of electronic digital signature to the closed key of electronic digital signature, and also on confirmation of reliability of the registration certificate ABA No.001300 dated 12 June 2006, issued by the Agency of the Republic of Kazakhstan on informatization and communication;
- The state license on provision of IT-telephony (Internet – telephone) ABA No.002170 dated 26 August 2009, issued by the Agency of the Republic of Kazakhstan on informatization and communication;
- The state license for data transmission ABA No.000685 dated 2 December 2004, issued by the Agency of the Republic of Kazakhstan on informatization and communication;
- The license on rendering services on revealing of technical channels of information leakage and special technical means intended for carrying out of operative-search measures No. 072 dated 6 March 2019, issued by the Committee of National Security of the Republic of Kazakhstan.
- The inalienable license for the development of cryptographic information protection means

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of presentation of the financial statements

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards, including all previously adopted standards and interpretations of the IASB (IFRIC), and are in full compliance with them. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and also requires management to make judgments about assumptions in the process of applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 below.

b) Functional and presentation currency of the financial statements

The functional currency of the Company is the Kazakhstani tenge (KZT) as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of underlying events and circumstances relevant to them. The KZT is also the presentation currency for the purposes of these financial statements. All financial statements have been rounded to the nearest thousand tenge. The financial statements present comparative information for the previous period.

c) Transactions and events in foreign currencies

Transactions and events denominated in foreign currencies are recorded in the national currency of the Republic of Kazakhstan using the market exchange rate. Exchange differences arising on the settlement of monetary items or on the translation of monetary items at rates different from the rates at which they were translated on initial recognition during the reporting period are recognized in profit or loss in the period in which they arise.

The following table summarizes the exchange rates in KZT for the following dates:

Currency	As at 31 December 2024	Average value 2024	As at 31 December 2023	Average value 2023
USD	523,54	471,95	454,56	456,2
EUR	546,47	509,44	502,24	493,2
RUB	4,99	5,06	5,06	5,4

d) Going concern principle

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in business for the foreseeable future and will be able to realize its assets, discharge its debts and discharge its liabilities. The Company has no intention or need to liquidate or significantly curtail operations in the future.

The accompanying financial statements do not include any adjustments should the Company be unable to continue as the going concern.

e) Basis for determining the value

These financial statements have been prepared on the historical cost basis of accounting and fair value measurements have been used for certain items of the financial statements.

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, irrespective of whether that amount is directly observable or determined using another valuation technique. For reporting purposes, fair value measurements are categorized into levels depending on the observability of the inputs and whether they are significant to the measurement:

- Level 1 – quoted prices (unadjusted) for the same assets and liabilities in an active market that the Company can observe at the measurement date;
- Level 2 – inputs other than Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 – unobservable inputs for the asset or liability;

f) Recognition of elements of financial statements

The accompanying financial statements include all transactions and events that meet the definition of financial reporting elements and the condition for their recognition:

- The Company is reasonably certain that any economic benefit associated with the item will be realized (or lost);
- The entity has a value or estimate that can be reliably measured.

g) Sequence of presentation

The presentation and classification of items in the financial statements are maintained from the current period to the next. Significant revisions to the presentation of the financial statements may require changes in the presentation of the financial statements. The Company changes the presentation of the financial statements only if the revised presentation provides information that is reliable and more relevant to users of the financial statements, and the revised structure is maintained and comparability is not impaired.

h) New standards, interpretations and amendments to standards and interpretations adopted by the Company for the first time.

The Company has adopted, for the first time, certain standards and amendments that are effective for annual periods beginning as at or after 1 January 2024.

A number of new standards, amendments and interpretations have been published that are mandatory for annual periods beginning as at or after 1 January 2024.

The International Sustainability Reporting Standards Board (ISSB) issued as at 26 June 2023 the first set of standards IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and the first thematic standard IFRS S2 Climate-related Disclosures, which are effective from 1 January 2024 and apply to reports published in 2025. The ISSB was established under the auspices of IFRS and works in parallel with the Accounting Standards Board (IASB). IFRS S1/S2 are intended to bring together many different sustainability and climate-related disclosure standards and become universally applicable worldwide, meeting investor demands for reliable and comparable information from public companies. The ISSB refers to the disclosures as sustainability-related financial information disclosures, demonstrating that the disclosures should be directly linked to the information in the financial statements.

The amendments to IFRS 16 Leases will affect how a seller-lessee accounts for variable lease payments arising in a sale and leaseback transaction. Such variable lease payments must be included in the lease liability. The new model for accounting for variable payments will require seller-lessees to reassess and possibly restate sale-leaseback transactions entered into beginning in 2019. The amendments are effective for annual reporting periods beginning as at or after 1 January 2024, early adoption is permitted.

The International Accounting Standards Board (IASB) has amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to better meet the information needs of users. The amendments introduce disclosure requirements that will increase the transparency of supplier financing arrangements and their impact on an entity's liabilities and cash flows. The key amendments to IAS 7 and IFRS 7 include disclosure requirements:

- the carrying amount of the financial liabilities that form part of the suppliers' financing arrangements and the line items in which these liabilities are presented;
- the carrying amount of financial liabilities for which suppliers have already received payment from providers of financial services;
- the range of maturities of both the financial liabilities that form part of these arrangements and comparable trade payables that do not form part of such arrangements.

The amendments are effective for annual periods beginning as at or after 1 January 2024 and early adoption is permitted. Comparative information is not required for the first year.

In 2020, the IASB amended IAS 1 regarding the classification of liabilities into non-current and current liabilities, which was originally intended to apply from 2021 but was subsequently deferred to 2024, applied retrospectively in accordance with IAS 8. In October 2022, the IASB considered additional amendments to IAS 1 that address the issue of classifying liabilities for which an entity is required to comply with specific contractual requirements, i.e., covenants. The amendment also responded to stakeholder concerns about the classification of such liabilities into current and non-current. The amendments are effective from 2024.

The Company has applied those amendments to existing standards that may have an impact on the Company's financial position and results of operations. The adoption of the amendments to existing standards did not have a material impact on these separate financial statements.

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Standards that have been issued but are not yet effective

The standards and amendments to existing standards that have been issued but are not yet effective as of the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards and amendments to existing standards when they become effective.

The IASB issued IFRS 18 Presentation and Disclosure in Financial Statements as at April 9, 2024. IFRS 18 replaces IAS 1 and is effective for annual periods beginning as at or after 1 January 2027. Early application is permitted.

The main objectives of the standard are:

- Comparability and transparency of the companies' performance report
- Additional useful information for investors and the ability to benchmark against other companies
- Provision of additional subtotals by category (operating, investment, financial) in the statement of profit or loss and other comprehensive income to improve comparability
- Disclosure of certain performance measures to ensure transparency

Increased requirements for aggregation and disaggregation of report items to ensure greater usefulness of information

The IASB issued a new standard IFRS 19 *Subsidiaries without Public Accountability* as at 9 May 2024, effective from 1 January 2027. Early application is possible.

Under this standard, subsidiaries that meet certain criteria may apply simplified disclosure requirements in their consolidated, separate or individual financial statements.

The IASB issued amendments to the classification and measurement requirements in IFRS 9 Financial Instruments as at 30 May 2024, which are effective for annual periods beginning as at or after 1 January 2026.

The amendments include:

- Clarifying the classification of financial assets with links to environmental, social (ESG) and similar indicators: the characteristics of loans linked to ESG may affect whether loans are measured at amortized cost or fair value. The amendments clarify how the contractual cash flows of such loans should be measured
- Settlement of liabilities through electronic payment systems. The amendments clarify the date on which a financial asset or financial liability is derecognized. The IASB also decided to develop an accounting policy option that allows an entity to derecognize a financial liability before it has provided cash on the settlement date if certain criteria are met

Amendment to IAS 21: The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability. This amendment provides guidance on how an entity should act when there is more than one exchange rate but it is temporarily impossible to exchange one currency for another. The amendment allows an entity to consider the current exchange rate rather than the rate at the first available exchange date. The amendment is effective from 1 January 202

The Company has not early adopted the above standards and amendments to standards and is currently assessing their impact on its financial statements. Unless otherwise described above, the new standards and interpretations are not expected to have a material impact on the Company's financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Property, plant and equipment

Upon initial recognition, property, plant and equipment are measured at cost. Subsequently, property, plant and equipment are stated at cost less accumulated depreciation and impairment, i.e. the Company has chosen the historical cost model of IAS 16 Property, Plant and Equipment as its accounting policy and applies this policy to all classes of property, plant and equipment.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Group name	Useful life
Buildings	15-50 years
Constructions	15-50 years
Machinery and equipment	4-25 years
Vehicles	5-20 years
Other property, plant and equipment	3-20 years

The estimated useful lives of property, plant and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively. The carrying amounts of property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

b) Intangible assets

Intangible asset is recognized by the Company if it meets the definition of the intangible asset and the criteria for recognition of the intangible asset:

- Identifiability
- Control
- Does not have physical form

The criteria for recognizing the intangible asset are:

- the probability of obtaining future economic benefits attributable to the asset;
- the ability to measure the asset's value reliably.

Intangible assets that are acquired separately are measured at cost on initial recognition. Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite useful lives are amortized over the useful life and assessed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method for intangible assets with finite lives are reviewed at least at each financial year-end. A change in the estimated useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for in the financial statements as a change in the amortization period or method, as appropriate, and is treated as a change in accounting estimate. Amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss and other comprehensive income in the expense category consistent with the function of the intangible asset.

Amortization of intangible assets, excluding assets under development, is computed using the straight-line method over the following useful lives:

Name	Useful life
Software, licenses	2-20 years

Income or expense on derecognition of the intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit or loss and other comprehensive income when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. The intangible asset arising from product-specific development costs is recognized only when the Company can demonstrate the following:

- The technical feasibility of creating the intangible asset so that the asset is available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The way in which the intangible asset will generate future economic benefits;
- The availability of sufficient resources to complete the development;

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- The ability to reliably estimate the costs attributable to the intangible asset during its development;
- The ability to utilize the intangible asset created.

After initial recognition of development costs as an asset, assets are carried at cost less accumulated amortization and accumulated impairment losses. Depreciation of the asset begins upon completion of development when the asset is available for use and is charged over the estimated period of the future economic benefits expected to arise. Depreciation is recognized in cost of goods sold.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that the asset may be impaired. If any such indication exists or when annual impairment testing for the asset is required, the Company estimates the asset's recoverable amount. Intangible assets under development are not amortized but are tested annually for impairment regardless of whether there is any indication of impairment. The recoverable amount of the asset or cash-generating unit (CGU) is the higher of the following fair value of the asset (CGU) less costs to sell and the value in use of the asset (CGU). Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If the carrying amount of the asset or cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, future cash flows are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions, if any, are taken into account. In their absence, an appropriate valuation model is applied.

Impairment losses of continuing operations (including impairment of inventories) are recognized in the statement of profit or loss and other comprehensive income in those expense categories consistent with the function of the impaired asset.

c) Financial assets

Initial recognition and measurement

Financial assets are classified upon initial recognition as subsequently measured at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset and the business model used by the Company to manage the assets. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied a practical expedient, the Company initially measures financial assets at fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied practical expedient are measured at the transaction price determined in accordance with IFRS 15 Revenue from Contracts with Customers.

In order for the financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it is necessary for the contractual terms of the asset to generate cash flows that are solely payments of principal and interest on the principal outstanding. This assessment is referred to as the SPPI test and is performed on an instrument-by-instrument basis.

The business model used by the Company for managing its financial assets describes the manner in which the Company manages its financial assets to generate cash flows. The business model determines whether the cash flows will result from the receipt of contractual cash flows, the sale of financial assets, or both.

All purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, which is the date that the Company commits to purchase or sell the asset.

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The Company's financial assets include: cash and cash equivalents, bank interest, trade receivables and investments in bonds.

Subsequent measurement

Financial assets are classified into four categories for subsequent measurement purposes:

- Financial assets measured at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income with subsequent reclassification of cumulative profits and losses (debt instruments);
- Financial assets designated as at fair value through other comprehensive income with no subsequent reclassification of cumulative profits and losses on derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Financial assets measured at amortized cost
This category is the most relevant for the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset require that cash flows that are solely payments of principal and interest on the outstanding principal balance be received on specified dates.

Financial assets measured at amortized cost are subsequently measured using the effective interest method and impairment requirements are applied. A gain or loss is recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets measured at fair value are subsequently measured using the effective interest method and are subject to impairment requirements. Gains or losses are recognized in profit or loss when the asset is derecognized, modified or impaired. The Company considers trade receivables, investments in bonds and amounts due from credit institutions (bank deposits, cash and cash equivalents) to be financial assets measured at amortized cost.

The Company accounts for all financial assets at amortized cost.

Derecognition

Financial asset (or, where applicable – part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's statement of financial position) if:

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

When the Company has transferred its rights to receive cash flows from the asset or has entered into a pass-through arrangement, it assesses whether and to what extent it has retained the risks and rewards of ownership. If the Company has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement in the transferred asset.

In this case, the Company also recognizes a corresponding liability. The transferred asset and the corresponding liability are measured on a basis that reflects the rights and obligations retained by the Company. Continuing involvement that takes the form of a guarantee over the transferred asset is recognized at the lower of the original carrying amount of the asset or the maximum amount of consideration that the Company could be required to repay.

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Impairment of financial assets

The Company recognizes a valuation provision for expected credit losses (ECL) on all debt instruments not at fair value through profit or loss. The ECL is calculated based on the difference between the contractual cash flows expected to be received and the total cash flows expected to be realized by the Company, discounted at the original effective interest rate or its approximate value.

For trade and other receivables, the Company applied the simplified approach prescribed by the standard and calculated expected credit losses for the full term. The Company used the valuation provision matrix based on its past credit loss experience adjusted for forward-looking factors specific to the borrowers and general environmental conditions. For other debt financial assets, including loans receivable, expected credit losses are calculated on a 12-month basis. 12-month expected credit losses are the portion of expected credit losses for the whole term that represents the expected credit losses that would result from defaults on the financial instrument occurring within 12 months after the reporting date. However, in the event of a significant increase in the credit risk of a financial instrument since initial recognition, the valuation provision for losses is measured at an amount equal to the lifetime expected credit losses.

d) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified upon initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables or derivative instruments.

All financial liabilities are recognized initially at fair value less (in the case of loans and borrowings, payables) directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

For subsequent measurement, financial liabilities are classified into the following two categories:

- Financial liabilities at fair value through profit or loss;
- Financial liabilities measured at amortized cost (loans and borrowings).

Trade and other payables

Trade payables are initially recognized at fair value and subsequently measured at cost. The financial liability is derecognized in the statement of financial position when the obligation is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

Fair value of financial instruments

The fair value of financial instruments traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in the active market, fair value is determined by applying appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of similar instruments; discounted cash flow analysis or other valuation models.

The best evidence of the fair value of the financial instrument at initial recognition is normally the transaction price, i.e. the fair value of the consideration paid or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is not evidenced by a quoted price in an active market for a similar asset or liability and is not based on the valuation techniques that use only observable inputs, the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequent to initial recognition, the difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable inputs or the transaction is closed out.

Derecognition

Financial liabilities are derecognized when the obligation is discharged, cancelled or expires.

Where the existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position when there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

e) Inventories

Inventories are stated at the lower of cost and net realizable value.

The cost of inventories includes all costs incurred in the ordinary course of business in bringing the inventories to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is determined using the weighted average cost method.

f) Cash and cash equivalents

Cash and cash equivalents include cash in demand bank accounts and other short-term highly liquid investments with original contractual maturities of three months or less.

Cash in credit institutions in the balance sheet has an original maturity of up to one year.

Reverse repurchase transactions

Securities purchased under agreements to resell (reverse repo) are recorded as cash and cash equivalents. The difference between the purchase and resale prices represents interest income and is accrued over the term of the reverse repo agreement using the effective interest method.

g) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Company expects the provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is recognized in the statement of profit or loss and other comprehensive income, net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting future cash flows at a pre-tax rate that reflects the current market for the time value of money and, where possible, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as financial expense.

h) Lease

At inception of an arrangement, the Company assesses whether the arrangement is, or contains, a lease. In other words, the Company determines whether the arrangement conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

The Company as a lessee

The Company applies a uniform approach to the recognition and measurement of all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities for lease payments and right-of-use assets, which represent the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses, as adjusted for the revaluation of lease liabilities. The initial cost of right-of-use assets includes the amount of the recognized lease liability, initial direct costs incurred and lease payments made at or before the commencement date, less lease incentives received. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term or the estimated useful life of the asset. Right-of-use assets are also subject to impairment testing.

Lease liabilities

At the commencement date, the Company recognizes lease liabilities which are measured at the present value of the lease payments to be made during the lease term. Lease payments comprise fixed payments (including, in substance, fixed payments) less any lease incentive payments receivable, variable lease payments. Which depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option if it is reasonably certain that the Company will exercise the option and payments of lease termination penalties. Variable lease payments that do not depend on an index or rate are recognized as an expense (unless incurred to produce inventory) in the period in which the event or condition giving rise to the payments occurs. The Company uses the incremental borrowing rate at the commencement date to calculate the present value of the lease payments as the interest rate implicit in the lease is not readily determinable. Subsequent to the commencement date, the lease liability is increased to reflect the accrual of interest and decreased to reflect the lease payments made.

Short-term leases and leases of low-value assets

The Company applies the recognition exemption for short-term leases to its short-term leases (i.e. leases with a lease term of 12 months or less at the commencement date and that do not contain an option to purchase the underlying asset). The Company also applies the recognition exemption for leases of low-value assets to leases deemed to be of low value. Lease payments for short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

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The Company as a lessor

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

i) Employee benefits

Employee benefits include: short-term employee benefits such as salaries, social security contributions, paid annual leave and paid sick leave, compensation and guarantees stipulated by the labor legislation of the Republic of Kazakhstan, bonuses and non-monetary benefits, and other benefits.

The Company recognizes the undiscounted amount of short-term employee benefits payable in exchange for services rendered by the employee.

j) Revenue from contracts with customers

The Company's activities are related to the performance of knowledgeable basic types of works and services:

- Ensuring compliance with unified requirements in the field of information and communication technologies and information security, as well as the rules for the implementation of the information service model;
- Implementation of system-technological service and maintenance of objects of information and communication infrastructure of e-government in accordance with the list approved by the authorized body;
- Provision of information and communication services to state bodies on the basis of information and communication infrastructure of e-government in accordance with the catalog of information and communication services;
- Provision of communication services to state bodies, their subordinate organizations, local self-government bodies, as well as other subjects of informatization determined by the authorized body and connected to the unified transport environment of state bodies for the functioning of their electronic information resources and information systems, etc.

Revenue in respect of core activities is recognized over a period of time (on a recurring basis) as the criteria for revenue recognition over a period of time are met, i.e. the customer both receives and consumes the benefits provided by the Company.

The Company's contracts with customers generally include one or more performance obligations that are satisfied on the same time basis. The Company does not have exposure to variable consideration because the contract does not include other promises that may represent separate performance obligations (e.g., warranties, rewards points provided through a customer loyalty program) to which a portion of the transaction price must be allocated.

Generally, the Company receives payments from customers after services have been provided. In rare instances, the Company receives short-term upfront payments. As a result of the practical expedient in IFRS 15, the Company does not adjust the promised consideration for the impact of a significant financing component if, at contract inception, it expects the period between the transfer of the promised service to the customer and the customer's payment for that service to be one year or less.

Contract assets

The contract asset represents the Company's right to receive consideration in exchange for services transferred to the customer. If the Company transfers services to the customer before the customer provides consideration or before the consideration becomes payable, the contract asset is recognized for the contingent consideration received.

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Trade receivables

Receivables provide the Company with a right of reimbursement that is unconditional (i.e. the timing of when such reimbursement becomes due is conditional on the passage of time). The accounting policy for financial assets is discussed in IFRS 9 Financial Instruments.

Contract liability

A contract liability is an obligation to transfer services (goods) to a customer for which the Company will receive consideration (or has received consideration) from the customer. If the customer pays the consideration before the Company transfers the service to the customer, the contract liability is recognized when the payment is made or when the payment becomes due and payable (whichever is earlier). The contract liability is recognized as revenue when the Company satisfies its obligations under the contract.

k) Financial income/expenses

For all financial instruments measured at amortized cost and at fair value through profit or loss and those at fair value through other comprehensive income, interest income or expense is recognized using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, if appropriate, to the net carrying amount of the financial asset or liability. Interest income is recognized as financial income in the statement of profit or loss and other comprehensive income.

l) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at a particular date in the Republic of Kazakhstan where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. The Company's management periodically evaluates positions taken in the tax returns with respect to items subject to varying interpretations of relevant tax legislation and establishes provisions where appropriate.

m) Other income and expenses

Other income includes income from the disposal of assets, profit from exchange rate differences, other income (fines, penalties, income from reversal of impairment losses on financial assets).

Expenses are recognized as incurred and reported in the financial statements in the period to which they relate on an accrual basis. Expenses include expenses necessary to generate income (expenses included in the cost of sales), general and administrative expenses, selling expenses, remuneration expenses, other expenses arising in the ordinary course of the Company's business.

n) Deferred tax

Deferred tax is provided 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 at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill, the asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; or

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- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with interpretations to subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable profit will allow the deferred tax assets to be utilized.

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

Deferred tax relating to items recognized outside profit or loss is also not recognized in profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

o) Value added tax (VAT)

VAT on sales is payable to the budget when goods are shipped or services are rendered. VAT related to purchases is offset against VAT related to sales upon receipt of a tax invoice from a supplier.

Revenues, expenses and assets are recognized net of VAT, unless VAT related to purchase of assets or services is not reimbursed by the tax authority, in which case VAT is recognized as part of the cost of acquisition of the asset or part of the expense item, respectively.

The tax legislation permits settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases that have not been settled at the reporting date are recognized in the statement of financial position on a net basis.

Receivables and payables are stated net of VAT.

The net amount of VAT recoverable from or payable to the taxation authority is included in VAT recoverable and prepayments of other taxes and other taxes payable in the statement of financial position.

p) Share capital

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized, net of any tax effects, as a deduction from equity.

Dividends

The Company recognizes a liability for cash and non-cash distributions to shareholders of the parent entity when the distribution is approved and is no longer at the discretion of the Company. In accordance with the laws of the Republic of Kazakhstan, distributions are approved by the shareholders. The corresponding amount is recognized directly in equity.

At the time of distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the income statement.

Dividends are disclosed when they are proposed before the reporting date or proposed or approved (declared) after the reporting date but before the financial statements are authorized for issue.

q) Related parties

Related parties include the Sole Shareholder of the Company, key management personnel and organizations in which a substantial interest in the voting power is owned, directly or indirectly, by the Sole Shareholder or key management personnel of the Company, as well as organizations controlled by the Government of the Republic of Kazakhstan (*Note 26*).

In order to enable users of the financial statements to form an opinion on the effect of related party relationships, the Company discloses information about related party relationships where control exists, irrespective of whether transactions between related parties have occurred.

r) Events after the reporting date

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

s) Contingent liabilities and contingent assets

Contingent liabilities are not recognized in the financial statements. Such liabilities are disclosed in the notes to the financial statements unless the possibility of any outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements. In cases where it is reasonably possible that the economic benefits associated with such assets will flow to the Company, such assets are disclosed in the notes.

4. SIGNIFICANT JUDGMENTS AND KEY SOURCES OF UNCERTAINTY ASSOCIATED WITH THE ESTIMATES.

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

a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Company's assumptions and estimates are based on the inputs it had at the time the financial statements were prepared. However, current circumstances and assumptions about the future may change due to market changes or circumstances beyond the Company's control. Such changes are reflected in the assumptions as they occur.

b) Recognition and impairment of financial assets

When calculating the allowance for impairment of financial assets, the Company applies the expected credit loss model in accordance with the requirements of IFRS 9 Financial Instruments.

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For trade and other receivables, the Company applied the simplified approach prescribed by the standard and calculated expected credit losses for the full term. The Company utilized the valuation provision matrix based on its past credit loss experience, adjusted for forward-looking borrower-specific factors and general economic conditions. The impairment provisions as at 31 December 2024 are called for: trade receivables in the amount of KZT 155,129 thousand (31 December 2023: KZT 74,157 thousand) Note 7.

The Company applied a general approach to impairment of cash on settlement and deposit accounts with credit institutions, which implies analysis of credit risks and calculation of impairment losses depending on the stages of the financial assets' life cycle. Based on these calculations made in accordance with the Methodology for calculation of provisions under IFRS 9 Financial Instruments, the Company recognized the impairment provision for cash on settlement accounts with credit institutions as at 31 December 2024 in the amount of KZT 221 thousand (in 2023: KZT 404 thousand) Note 5.

In 2019, the Company's Management revised its assessment with respect to recognition/non-recognition of impairment provisions in respect of cash placed on deposits with credit institutions: as the Company immediately opens a new deposit for the next maturity after the deposit is closed, the credit risk in respect of cash on deposit accounts with credit institutions remains. In the financial statements as at 31 December 2024, the impairment provision in the amount of KZT 15,369 thousand (2023; KZT 11,749 thousand) was recognized for these assets Note 5.

c) Determining the lease term under an agreement with an option to renew or an option to terminate a lease – Company as lessee

The Company defines a lease term as not subject to early termination for lease periods for which a lease renewal option is available if it is reasonably certain to be exercised or periods for which a lease termination option is available if it is reasonably certain not to be exercised.

The Company has land leases with terms in excess of one year and several equipment leases that include an option to terminate the lease. The Company applies judgment to assess whether it is reasonably certain that it will exercise the option to terminate the lease. In doing so, it considers all relevant factors that result in an economic incentive to exercise any of the options. Subsequent to the commencement date, the Company reassesses the lease term if a significant event or change in circumstances that is within the Company's control occurs and affects its ability to exercise (or not exercise) an option to terminate the lease (e.g., a significant leasehold improvement or a significant customization of the leased asset to meet the Company's needs).

Note 10 provides full details of leases with termination options that have not been considered in determining the lease term.

d) Leases – determination of the rate of additional borrowings

The Company cannot readily determine the interest rate implicit in the lease. Therefore, it uses the incremental borrowing rate, which is the rate at which the Company would borrow the funds necessary to obtain an asset with a similar value in the form of a right-of-use asset under similar economic conditions for a similar term and with similar collateral. Thus, the calculation of interest requires estimates; if observable rates are not available, the Company determines the incremental borrowing rate using observable inputs - statistical data from the National Bank of the Republic of Kazakhstan as at the commencement date of the lease.

e) Property trust management agreement

The Company on the basis of Contract No. 2/38 dated 07.11.2019 was transferred to the trust management without the right of redemption for a period of 5 (five) years state information system Unified System of Electronic Document Management of State Authorities of the Republic of Kazakhstan of the Ministry of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan. The property, which includes the software product USEDM with a book value of 105,254 thousand tenge and licensed software with a book value of KZT 2,128 thousand tenge, was transferred to the Company as at 15 November 2019. Within the framework of the concluded trust management agreement the Company undertakes to transfer state bodies to cloud document management by changing the platform.

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In accordance with the Contract No. 2/23 dated 02.06.2021, the information systems Web-portal of e-government, Gateway of e-government, Mobile Government, E-licensing State Database, Payment Gateway of e-government of the state bodies of the Republic of Kazakhstan were transferred to trust management without the right of redemption for a period of 5 (five) years Ministry of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan. The property with the book value of KZT 3,006,526 thousand was transferred to the Company as at 4 June 2021. Within the framework of the concluded trust management agreement, the Company undertakes to provide the activities approved by the agreement in order to develop the components of the E-Government in accordance with the Resolution of the Government of the Republic of Kazakhstan No. 827 dated 12 December 2017. Since the ownership rights are not transferred to the Company, the Management made a decision to recognize the assets received under this agreement on off-balance accounts in the financial statements.

In accordance with the Contract No. 5 dated 24.02.2023, the Company received in trust management information system (hereinafter - Platform), Unified Information System of Environmental Protection, without the subsequent right of redemption for 3 (three) years. Property with the book value of KZT 591,563 thousand. Within the framework of the concluded contract, the Company undertakes monitoring and management of works on the Platform. The terms of execution of the contract are 2023-2025.

f) Useful lives of property, plant and equipment and intangible assets

The Company assesses the remaining useful lives of property, plant and equipment and amortizable intangible assets at least at each financial year-end and, if expectations differ from previous estimates of changes, accounts for changes in estimates in accordance with IAS 8 Accounting Policies Changes in Accounting Estimates and Errors. These estimates may have a material impact on the amounts of the carrying values of property, plant and equipment, intangible assets and depreciation recognized in the statement of profit or loss and other comprehensive income.

g) Development costs

Development costs are capitalized in accordance with the Company's accounting policies. Initial capitalization of costs is based on management's judgment that technological and economic feasibility is generally possible when the project reaches a certain stage in accordance with an established project delivery model. In order to determine the amounts that may be capitalized, management makes assumptions regarding the expected cash flows from the project, discount rates and the expected timing of benefits. The carrying amount of capitalized costs as at 31 December 2024 was KZT 1,273,575 thousand (2023: KZT 373,420 thousand) Note 12.

h) Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is any indication that the asset may be impaired. If any such indication exists, the Company estimates the asset's recoverable amount. The recoverable amount of the asset is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Recoverable amount is determined for the individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

The Company has determined that there is no indication of impairment of non-financial assets as at 31 December 2024 and 2023. The Company determined that there were no indicators of impairment of non-financial assets.

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i) Taxation

Various Kazakhstani legislation and regulations are not always clearly written. Instances of inconsistent opinions between local, regional and republican tax authorities are possible. Where additional taxes are assessed by the tax authorities, existing fines and penalties are significant; fines are 50% of the additional tax assessed and penalties are 1.25 times the refinancing rate of the National Bank of the Republic of Kazakhstan on the amount of tax not paid on time. As a result, penalties and interest may significantly exceed the amount of additional tax assessed. Due to the uncertainties described above, the potential amount of taxes, penalties and interest, if any, that may be assessed could be materially higher than the amounts currently recognized as an expense and accrued at the reporting date. Differences between estimates and amounts actually paid, if any, could have a material effect on future operating results.

j) Deferred taxes

In accordance with the tax legislation of the Republic of Kazakhstan, the Company determines its liability for corporate income tax only after the end of the reporting period. Deferred tax is provided using the balance sheet liability method, providing for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amounts of deferred tax assets and liabilities are reviewed at each balance sheet date. Changes in the measurement of deferred tax assets and liabilities are recognized in the statement of profit or loss and other comprehensive income.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in current bank accounts (KZT) as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Sale and repurchase agreements (Reverse repo)	17 193 750	27 717 964
Overnights	14 100 000	7 800 000
Cash in current accounts	22 750	51 209
	31 316 500	**35 569 173**
Less provision for expected credit losses	(15 590)	(12 153)
	31 300 910	**35 557 020**

The cash flows in the accounts of the Company are presented in the Statements of Cash Flows for each financial year, prepared on the direct method.

In accordance with IFRS 9 Financial Instruments as at the reporting date, expected credit losses on financial assets (cash balances on bank accounts) were assessed and provision for expected credit losses (ECL) was recognized in the amount of KZT 15,590 thousand, including deposits KZT 15,369 thousand (in 2023: KZT 12,153 thousand, including deposits KZT 11,749 thousand).

The movements in the provision for expected credit losses for the period were as follows:

KZT'000	2024	2023
As at 1 January	**12 153**	**5 094**
Accrued	15 590	12 153
Reversed	(12 153)	(5 094)
As of 31 December	**15 590**	**12 153**

6. OTHER SHORT-TERM FINANCIAL ASSETS

Other short-term financial assets (accrued interest on deposits and reverse repurchase agreements) as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Repo securities	-	109 136
		109 136

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7. SHORT-TERM TRADE AND OTHER RECEIVABLES

Trade receivables as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Trade receivables	1 057 350	778 276
Other receivables	58 972	706 928
	1 116 322	**1 485 204**
Less provision for impairment losses	(155 129)	(74 157)
	961 193	**1 411 047**

The valuation provision for impairment losses on short-term receivables is determined in accordance with the provision matrix as at 31 December 2024 and 2023, which is as follows:

KZT'000	2024	2023
As of 1 January	**74 157**	**15 098**
Accrued	155 129	74 157
Written off	(74 157)	(15 098)
As at 31 December	**155 129**	**74 157**

8. INVENTORIES

KZT'000	31 December 2024	31 December 2023
Raw materials and supplies	235 576	184 079
Other materials	53 583	73 682
Fuel	26 755	17 861
Spare parts	14 394	4 711
Promotional products	295	1 924
	330 603	**282 257**
Less valuation provision for impairment losses	(12 845)	(14 108)
	317 758	**268 149**

The cost of inventories comprises expenditure incurred in acquiring inventories and bringing them to their existing condition and location.

The movements in the provision for impairment of inventories are summarized below:

KZT'000	2024	2023
As of 1 January	**14 108**	**15 443**
Written off	(1 263)	(1 335)
As at 31 December	**12 845**	**14 108**

9. OTHER CURRENT ASSETS

Other current assets as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Short-term advances paid	108 167	11 992 608
Other short-term receivables	1 204 396	1 517 783
Short-term deferred expenses	1 348 367	1 087 176
Other taxes	11 421 667	1 299 641
	14 082 597	**15 897 208**

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The expenses recognized in the statement of profit or loss and other comprehensive income are presented in the table below:

KZT'000	2024	2023
Amortization expense on right-of-use assets	535 002	3 796 223
Interest expense on lease liabilities	120 863	447 496
Total amounts recognized in profit or loss	**655 865**	**4 243 719**

See notes 22 and 25

The Company applies the recognition exemptions provided for short-term leases and low-value assets to leases of premises with a term of less than 12 months and leases of land with a low value.

11. PROPERTY, PLANT AND EQUIPMENT

KZT'000	Building	Land	Machinery and equipment	Vehicles	Other	Construction in progress	Total
Initial cost							
As at 1 January 2023	**931 811**	**24 970**	**20 956 029**	**257 083**	**3 542 219**	**31 449**	**25 743 561**
Receipt	-	-	11 908 566	168 900	154 831	846 473	13 078 770
Internal transfer	2 270 192	-	(766 084)	-	(1 504 108)	-	-
Transferred from construction in progress	630 718	-	199 504	-	-	(830 222)	-
Transferred to assets for sale	(8 142)	-	-	-	-	-	(8 142)
Disposal	(6 925)	-	(255 730)	-	(449)	-	(263 104)
As at 31 December 2023	**3 817 654**	**24 970**	**32 042 285**	**425 983**	**2 192 493**	**47 700**	**38 551 085**
Receipt	7 308 788	-	99 332 795	-	19 838	673 105	107 334 526
Increase in value due to revision of useful life	1 972	-	136 695	12 383	2 637		153 687
	7 869						7 869
Transferred from assets for sale	-		1 332	-	-	(1 332)	-
Transferred from construction in progress	-	-	(834 511)	-	(70 968)	-	(905 479)
As at 31 December 2024	**11 136 283**	**24 970**	**130 678 596**	**438 366**	**2 144 000**	**719 473**	**145 141 688**
Acumulated depreciation							
As at 1 January 2023	**(209 069)**	-	**(10 249 903)**	**(219 728)**	**(877 597)**	-	**(11 556 297)**
Accrued depreciation	(298 493)	-	(1 869 949)	(19 174)	(200 216)	-	(2 387 832)
Internal transfers	(740 704)	-	351 204		389 500	-	-
Disposal	6 925	-	254 716		427	-	262 068
As at 31 December 2023	**(1 241 341)**	-	**(11 513 932)**	**(238 902)**	**(687 886)**	-	**(13 682 061)**
Accrued depreciation	(166 276)		(6 128 572)	(53 945)	(216 270)	-	(6 565 063)
Disposal			707 278		66 215	-	773 493
As at 31 December 2024	**(1 407 617)**	-	**(16 935 226)**	**(292 847)**	**(837 941)**	-	**(19 473 631)**
Residual value							
As at 31 December 2023	**2 576 313**	**24 970**	**20 528 353**	**187 081**	**1 504 607**	**47 700**	**24 869 024**
As at 31 December 2024	**9 728 666**	**24 970**	**113 743 370**	**145 519**	**1 306 059**	**719 473**	**125 668 057**

12. INTANGIBLE ASSETS

KZT'000	Licenses	Software	Capitalized development	Total
Initial cost				
As at 1 January 2023	**1 324 623**	**2 634 586**	**53 000**	**4 012 209**
Receipt	354 500	958 234	320 420	1 633 154
Disposal	(6 963)	(23 959)	-	(30 922)
As at 31 December 2023	**1 672 160**	**3 568 861**	**373 420**	**5 614 441**
Receipt	397 046	2 262 295	1 057 354	3 716 695
Transferred from construction in progress	-	104 199	(104 199)	-
Impairment			(53 000)	(53 000)
Disposal	(19 024)	(334 780)		(353 804)
As at 31 December 2024	**2 050 182**	**5 600 575**	**1 273 575**	**8 924 332**
Acumulated amortization				
As at 1 January 2023	**(662 137)**	**(1 618 199)**	-	**(2 280 336)**
Accrued amortization	(152 625)	(324 732)	-	(477 357)
Disposal	5 415	22 479	-	27 894
As at 31 December 2023	**(809 347)**	**(1 920 452)**	-	**(2 729 799)**
Accrued amortization	(168 498)	(457 048)	-	(625 546)
Disposal	18 970	316 443	-	335 413
As at 31 December 2024	**(958 875)**	**(2 061 057)**	-	**(3 019 932)**
Residual value				
As at 31 December 2023	**862 813**	**1 648 409**	**373 420**	**2 884 642**
As at 31 December 2024	**1 091 307**	**3 539 518**	**1 273 575**	**5 904 400**

13. SHORT-TERM TRADE AND OTHER PAYABLES

Trade and other payables as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Trade payables	56 085 944	21 118 955
Other payables	1 706 044	946 963
	57 791 988	**22 065 918**

During the reporting period, trade payables were denominated in national currency

14. SHORT-TERM ESTIMATED LIABILITIES

Short-term estimated liabilities as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Liabilities for payments to suppliers	4 112 928	1 911 112
Liabilities for legal claims	25 015	17 177
	4 137 943	**1 928 289**

The movements in accrued liabilities were as follows:

KZT'000	2024	2023
as at 1 January	**1 928 289**	**654 245**
Accrued	4 135 449	1 910 296
Paid	(16 724)	(8 247)
Classified in payables*	(1 909 071)	(628 005)
as at 31 December	**4 137 943**	**1 928 289**

* Liabilities classified in payables under contracts of the previous year, the primary documents for which were issued in the reporting year.

15. EMPLOYEE BENEFITS

Employee benefits as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Salaries payable	14 951	31 199
Provision for unused vacation, bonuses and related taxes	2 723 180	1 637 024
	2 738 131	**1 668 223**

Employee benefits include: short-term employee benefits such as salaries, paid annual leave and material assistance for vacation, paid sick leave, compensations and guarantees stipulated by the labor legislation of the Republic of Kazakhstan, bonuses, reserves and other payments stipulated by internal regulations.

The movements in the provision for unused vacation, bonuses and related taxes were as follows:

KZT'000	2024	2023
as at 1 January	**1 637 024**	**2 038 818**
Accrued	2 454 880	348 937
Used	(1 368 724)	(750 731)
as at 31 December	**2 723 180**	**1 637 024**

16. OTHER CURRENT LIABILITIES

Other current liabilities as at 31 December 2024 and 2023 are as follows:

KZT'000	31 December 2024	31 December 2023
Liabilities for pension contributions	171 123	293 347
Individual income tax	80 065	200 664
Social insurance liabilities	100 576	89 418
Arrears on writs of execution	11 805	21 061
Social tax	98 260	-
Other	23 629	-
	485 458	**604 490**

The movement in the deferred tax liability in the financial statements:

KZT'000	2024	2023
Balance at the beginning	(906 950)	(31 534)
Balance at the end	(1 154 394)	(906 950)
Change	**(247 444)**	**(875 416)**

29. TRANSACTIONS WITH RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Parties under common control with the Company are also considered to be related. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include the Sole Shareholder of the Company, key management personnel and organizations in which a substantial interest in the voting power is owned, directly or indirectly, by the Sole Shareholder or key management personnel of the Company, as well as organizations controlled by the Government of the Republic of Kazakhstan. Transactions between related parties represent transfers of resources, services or obligations between related parties, irrespective of the fees charged.

Transactions with related parties were made on terms agreed between the parties that do not necessarily correspond to market rates, except for certain regulated services, which are provided based on tariffs offered to related and third parties.

KZT'000	Receivables		Revenue	
Related party	2024	2023	2024	2023
Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan RSE	-	706 928	7 718 560	5 271 064

Remuneration to key management personnel

The remuneration to key management personnel included in salary expenses in the accompanying separate income statement amounted to KZT 101,447 thousand for the year ended 31 December 2024 (KZT 120,638 thousand for the year ended 31 December 2023). The decrease in 2024 is due to vacancies in the management team. The remuneration to key management personnel mainly consists of contractual salaries and performance-based bonuses.

30. FINANCIAL RISK MANAGEMENT

The Company's financial and economic activities are subject to economic and social risks inherent in entrepreneurial activity in Kazakhstan. These risks may be formed under the influence of such objective factors as political decisions of the Government, economic conditions, changes in tax legislation, and other legal acts of the Republic of Kazakhstan, but the Company's management manages and monitors all risk fluctuations in order to minimize their influence on the Company's financial results.

The main financial risks for the Company are related to credit market liquidity and currency risks arising from all financial instruments. Financial risks associated with the Company's operations are monitored and managed by analyzing exposures by degree and magnitude of risks.

Credit risk

Credit risk, which relates to the Company's financial assets, comprising mainly cash and cash equivalents, arises from the risk that counterparties may default on their obligations. The management regularly monitors the financial reliability of counterparties using its knowledge of local market conditions.

In the opinion of the Company's Management, total credit risk is equal to the sum of current assets less provisions recognized at the reporting date. The maximum amount of possible loss arising from credit risk is equal to the carrying amount of cash and cash equivalents and financial assets.

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The above items are presented as follows as at 31 December 2024 and 2023:

KZT'000	31 December 2024	31 December 2023
Cash and cash equivalents	31 300 910	35 557 020
Trade receivables	961 193	1 411 047
Other short-term financial assets	-	109 136
	32 262 103	**37 077 203**

The following table reflects the ratings of second-tier banks in which the Company's cash is deposited according to the international rating agency Standard & Poor's.

KZT'000	Rating for 2024	2024	2023
Halyk Bank JSC	S&P/BBB- (BB+)/Stable	14 120 997	7 851 209
Forte Finance JSC	Fitch/BB (BB-)/Stable	17 195 503	27 717 964
		31 316 500	**35 569 173**

Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is exposed to daily calls on its available cash resources. The management monitors the Company's cash flow forecasts on a monthly basis. The Company meets its liquidity needs through proceeds from the collection of receivables. The Company monitors the risk of shortage of funds using a current liquidity planning tool. This tool takes into account the maturity of financial investments and financial assets and forecast cash flows from operating activities.

The following tables summarize the Company's contractual maturities of its non-derivative financial assets and financial liabilities. The tables have been drawn up based on the undiscounted contractual maturities of the financial

assets to be received for these assets, except where the Company expects cash flows to be received for these assets, except where the Company expects cash flows to occur in a different period and cash flows on financial liabilities based on the earliest date on which the Company can be required to pay.

As at 31 December 2024	Up to 1 year	1-5 years	Over 5 years	Total
Financial assets				
Cash and cash equivalents	31 300 910			31 300 910
Trade receivables	961 193		-	961 193
Other short-term financial assets	-			-
				32 262 103
Financial liabilities				
Trade payables	57 791 988	-	-	57 791 988
Lease liabilities	660 130	-	-	660 130
Total	**58 452 118**			**58 452 118**

As at 31 December 2023	Up to 1 year	1-5 years	Over 5 years	Total
Financial assets				
Cash and cash equivalents	35 557 020	-	-	35 557 020
Trade receivables	1 411 018	29	-	1 411 047
Other short-term financial assets	109 136	-	-	109 136
	37 077 174	**29**		**37 077 203**
Financial liabilities				
Trade payables	22 065 918	-	-	22 065 918
Lease liabilities	956 995	660 105	-	1 617 100
	23 022 913	**660 105**		**23 683 018**
Total	**14 054 261**	**(660 076)**		**13 394 185**

Currency risk

The Company is exposed to currency risk through sales and purchases denominated in currencies other than the Company's functional currency. The Company does not use hedging instruments to minimize the impact on financial results from currency exchange rate fluctuations.

KZT'000	KZT	USD	EUR	Total
31 December 2024				
Cash	31 300 910	-	-	31 300 910
Short-term receivables	961 193	-	-	961 193
Trade and other payables	(57 791 988)	-	-	(57 791 988)
	(25 529 885)	-	-	**(25 529 885)**
31 December 2023				
Cash	35 557 020	-	-	35 557 020
Short-term receivables	1 411 047	-	-	1 411 047
Trade and other payables	(22 065 918)	-	-	(22 065 918)
	14 902 149	-	-	**14 902 149**

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and contractual requirements. The capital structure is represented by retained earnings and share capital. The Company complies with the minimum capital requirements set out in the Law of the Republic of Kazakhstan On Joint Stock Companies.

The Company has not changed its objectives, policies or processes for managing capital in 2024 and 2023.

Segment reporting

The Company's business operations are located in the Republic of Kazakhstan and relate to the provision of information system and technical services. The Company considers that it has only one reportable segment in accordance with IFRS 8. Segment measurement is evaluated on a profit or loss basis and is measured in a manner consistent with profit or loss in financial statements prepared in accordance with IFRS.

31. CONTINGENT LIABILITIES

Operating environment

Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

Legal proceedings

In the ordinary course of business, the Company is subject to legal proceedings and claims. The Company's management believes that the ultimate liability, if any, arising from these litigations and claims will not have a material impact on these financial statements or the current financial position of the Company or the results of the Company's operations for the foreseeable future, except for the provision for legal claims in the financial statements of KZT 25,015 thousand (2023: KZT 17,177 thousand), Note 14.

In the opinion of management, there are no current legal proceedings or unresolved claims that could have a material adverse effect on the Company's individual financial performance or financial position that have not been accrued or disclosed in these separate financial statements.

Taxation contingencies

The Company is subject to uncertainties related to the determination of tax liabilities for each reporting period. Because the existing tax system and tax laws have been in effect for a relatively short period of time, these uncertainties are more significant than those typically found in countries with more developed tax systems. Laws relating to applicable taxes are not always clearly written and legislation that is constantly evolving has varying and changing interpretations and is directly applicable.

The uncertainty of application and development of tax laws creates a risk that the Company will be subject to additional taxes, which could have a material adverse effect on the Company's financial position and results of operations.

The tax authorities have the right to assess additional taxes within three years after the end of the respective tax period for all taxes.

The management believes that the Company is in substantial compliance with the tax legislation and contractual terms of the contracts entered into relating to taxes affecting its operations and therefore no additional tax liabilities have arisen. However, for the reasons stated above, there remains a risk that the relevant authorities could interpret the contractual provisions and tax legislation differently. However, due to the uncertainties described above in assessing any potential additional tax liabilities, it is not practicable for management to estimate any additional tax liabilities that may arise together with any related fines and penalties for which the Company may be liable.

Environmental liabilities

The Company is subject to various environmental laws and regulations of the Republic of Kazakhstan. While management believes that the Company is in compliance with all such laws and regulations, the possibility of contingent liabilities cannot be ignored.

32. EVENTS AFTER THE REPORTING DATE

1. Increase in share capital

In accordance with the order of the Ministry of Digital Development of Innovations and Aerospace Industry of the Republic of Kazakhstan No. 128/NK dated 26.03.2025, in accordance with subparagraph 3) of paragraph 1 of Article 36 of the Law of the Republic of Kazakhstan On Joint Stock Companies, subparagraph 2) of paragraph 2 of Article 177 of the Law of the Republic of Kazakhstan On State Property it was decided to increase the number of authorized shares of National Information Technologies Joint Stock Company in the amount of 42,656,222 (forty-two million six hundred and fifty-six thousand two hundred and twenty-two) shares of the company for 119,700 (one hundred nineteen thousand seven hundred) shares of the company.

2. Receipt of long-term loan (February 2025)

In February 2025, the Company received the long-term loan under the Credit Line Agreement No. SKL-30-25 dated 24 January 2025 in the amount of KZT 4,349,352,000 under Agreement No.DBZI-49-25 dated 10 February 2025 and KZT 30,000,000,000 under Agreement No.DBZI-50-25 dated 10 February 2025 from Development Bank of Kazakhstan JSC with interest rates of 15.43% and 13.14% per annum. At that, under the agreement No.DBZI-50-25 the interest rate of 13.14% is applied until 9 December 2027, after that the floating rate is set – TONIA Compounded + 3.59% per annum. The loan is set to mature in January 2032.

The purpose of the loan is to finance the Investment Project, in particular, to provide server equipment for information systems of a state body (State Institution State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan).

3. Acquisition of interest in subsidiary (April 2025)

National Information Technologies JSC became the majority shareholder of QazTech Ltd. Private Company as at 9 April 2025.

The above events did not affect the Company's financial performance.

4. Lawsuits

On February 21, 2025, the Company filed a claim with the specialized inter-district economic court of Astana to recover from the State Institution "Telecommunications Committee of the Ministry of Digital Development, Innovation and Aerospace Industry of the Republic of Kazakhstan" in favor of National Information Technologies JSC the debt for services rendered in the amount of 7,355,185,134 tenge 58 tiyn.