Joint Venture
South Mining Chemical Company LLP

Financial Statements

for the year ended 31 December 2024

Content

«КПМГ Аудит» жауапкершілігі
шектеулі серіктестік
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180 Dostyk Avenue, Almaty,
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Independent Auditors' Report

To the Participants and Management of Joint Venture South Mining Chemical Company LLP

Opinion

We have audited the financial statements of Joint Venture South Mining Chemical Company LLP (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is:

Aida Junusova
Certified Auditor
of the Republic of Kazakhstan
Auditor's Qualification Certificate
No. MФ-0000371 of 15 August 2016

KPMG Audit LLC
State License to conduct audit #0000021 dated 6 December 2006 issued by the Ministry of Finance of the Republic of Kazakhstan

Sergey Dementyev
General Director of KPMG Audit LLC
acting on the basis of the Charter

31 January 2025

'000 KZT	**Note**	**2024**	**2023**
Revenue	5	270,502,939	199,667,358
Cost of sales	6	(60,280,245)	(40,925,222)
Gross profit		**210,222,694**	**158,742,136**
Distribution expenses	7	(1,256,676)	(1,127,717)
Administrative expenses	8	(1,251,278)	(1,068,525)
Other expenses, net	23	(1,282,517)	(4,950,103)
Results from operating activities		**206,432,223**	**151,595,791**
Finance income	10	10,034,621	582,846
Finance costs	10	(3,572,591)	(9,045,313)
Net finance income/(costs)		**6,462,030**	**(8,462,467)**
Profit before income tax		**212,894,253**	**143,133,324**
Income tax expense	11	(44,026,176)	(30,434,648)
Profit for the year		**168,868,077**	**112,698,676**
Profit and total comprehensive income for the year		**168,868,077**	**112,698,676**

These financial statements were approved by management on 31 January 2025 and were signed on its behalf by:

«ОНТҮСТІК ТАУ-ХИМИЯЛЫҚ КОМПАНИЯСЫ» БІРЛЕСКЕН КӘСІПОРНЫ Жауапкершілігі шектеулі серіктестігі ҚАЗАҚСТАН РЕСПУБЛИКАСЫ ТҮРКІСТАН ОБЛЫСЫ РЕСПУБЛИКА КАЗАХСТАН ТУРКЕСТАНСКАЯ ОБЛАСТЬ Товарищество с ограниченной ответственностью «СОВМЕСТНОЕ ПРЕДПРИЯТИЕ «ЮЖНАЯ ГОРНО-ХИМИЧЕСКАЯ КОМПАНИЯ»

A.Ye. Umirbekov
General Director

Ye.S. Churina
Deputy General Director for Economics and Finance

G.O. Tazhibayeva
Chief Accountant

The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 11 to 39.

'000 KZT	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Mine development assets	12	34,703,392	25,852,491
Property, plant and equipment	13	16,520,543	14,319,158
Intangible assets		133,767	120,356
Restricted cash	14	6,138,237	4,663,658
Deferred tax asset	11	1,346,370	1,132,292
Other non-current assets		1,363,975	1,515,075
Total non-current assets		**60,206,284**	**47,603,030**
Current assets			
Inventories	15	6,446,788	4,773,014
Trade and other receivables	16	125,631,036	68,529,588
Prepayments		588,508	588,129
Cash and cash equivalents	17	61,846,135	37,132,916
Other current assets		6,460	7,507
Total current assets		**194,518,927**	**111,031,154**
Total assets		**254,725,211**	**158,634,184**
EQUITY AND LIABILITIES			
Equity	18		
Charter capital		64,000	64,000
Other reserves		(444,638)	(444,638)
Retained earnings		199,503,858	120,794,722
Total equity		**199,123,220**	**120,414,084**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	19	18,543,177	23,655
Provisions	20	10,603,170	8,825,944
Total non-current liabilities		**29,146,347**	**8,849,599**
Current liabilities			
Loans and borrowings	19	25,017	3,207,593
Trade and other payables	21	21,629,554	16,348,155
Income tax payable		4,801,073	9,814,753
Total current liabilities		**26,455,644**	**29,370,501**
Total liabilities		**55,601,991**	**38,220,100**
Total equity and liabilities		**254,725,211**	**158,634,184**

These financial statements were approved by management on 31 January 2025 and were signed on its behalf by:

A.Ye. Umirbekov
General Director

Ye.S. Churina
Deputy General Director for Economics and Finance

G.O. Tazhibayeva
Chief Accountant

The statement of financial position is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 11 to 39.

'000 KZT	Charter capital	Other reserves	Retained earnings	Total equity
At 1 January 2023	64,000	(444,638)	76,599,032	76,218,394
Total comprehensive income				
Profit for the year	-	-	112,698,676	112,698,676
Profit and total comprehensive income for the year	**-**	**-**	**112,698,676**	**112,698,676**
Transactions with the owners of the Company				
Dividends declared (Note 18 (b))	-	-	(68,502,986)	(68,502,986)
At 31 December 2023	**64,000**	**(444,638)**	**120,794,722**	**120,414,084**
At 1 January 2024	64,000	(444,638)	120,794,722	120,414,084
Total comprehensive income				
Profit for the year	-	-	168,868,077	168,868,077
Profit and total comprehensive income for the year	**-**	**-**	**168,868,077**	**168,868,077**
Transactions with the owners of the Company				
Dividends declared (Note 18(b))	-	-	(90,158,941)	(90,158,941)
At 31 December 2024	**64,000**	**(444,638)**	**199,503,858**	**199,123,220**

These financial statements were approved by management on 31 January 2025 and were signed on its behalf by:

A.Ye. Umirbekov
General Director

Ye.S. Churina
Deputy General Director for Economics and Finance

G.O. Tazhibayeva
Chief Accountant

The statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 11 to 39.

'000 KZT	2024	2023
Cash flows from operating activities		
Cash receipts from customers	231,084,315	192,993,969
Other receipts	2,897,293	1,366,557
Payments to employees	(6,804,230)	(5,903,051)
Other payments	(6,428,077)	(3,589,609)
Advances paid to suppliers for goods and services	(267,310)	(322,716)
Cash paid to suppliers for goods and services	(22,194,178)	(15,185,360)
Payments under insurance contracts	(149,650)	(124,777)
Payments to the budget	(22,162,243)	(16,418,670)
Cash flows from operations before income tax and interest paid	**75,975,920**	**152,816,343**
Income tax paid	(49,269,650)	(23,577,055)
Interest paid	(1,200,725)	(534,773)
Net cash flows from operating activities	**125,505,545**	**128,704,515**
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	8,003
Acquisition of intangible assets	(720)	(10,080)
Acquisition of property, plant and equipment	(1,405,366)	(2,827,530)
Acquisition of mine development assets	(21,371,379)	(8,041,766)
Placement of bank deposits	(813,922)	(317,866)
Net cash used in investing activities	**(23,591,387)**	**(11,189,239)**

The statement of cash flows is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 11 to 39.

'000 KZT	2024	2023
Cash flows from financing activities		
Proceeds from loans and borrowings	41,755,349	-
Repayment of loans and borrowings	(29,807,707)	(21,622,667)
Payment of dividends	(90,158,941)	(68,502,986)
Other payments (Note 10)	(1,249,458)	(3,336,907)
Net cash used in financing activities	**(79,460,757)**	**(93,462,560)**
Net increase in cash and cash equivalents	**22,453,401**	**24,052,716**
Cash and cash equivalents at 1 January	37,132,916	13,854,641
Effect of movements in exchange rates on cash and cash equivalents	2,261,413	(773,559)
Effect of movements in expected credit losses on cash and cash equivalents	(1,595)	(882)
Cash and cash equivalents at 31 December (Note 17)	**61,846,135**	**37,132,916**

These financial statements were approved by management on 31 January 2025 and were signed on its behalf by:

"ОҢТҮСТІК ТАУ-ХИМИЯЛЫҚ КОМПАНИЯСЫ" БІРЛЕСКЕН КӘСІПОРЫН"
Жауапкершілігі шектеулі серіктестігі
ҚАЗАҚСТАН РЕСПУБЛИКАСЫ ТҮРКІСТАН ОБЛЫСЫ
РЕСПУБЛИКА КАЗАХСТАН ТУРКЕСТАНСКАЯ ОБЛАСТЬ
Товарищество с ограниченной ответственностью
"СОВМЕСТНОЕ ПРЕДПРИЯТИЕ "ЮЖНАЯ ГОРНО-ХИМИЧЕСКАЯ КОМПАНИЯ"

A.Ye. Umirbekov
General Director

Ye.S. Churina
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Chief Accountant

The statement of cash flows is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages 11 to 39.

1 Reporting entity

(a) Organisation and operations

Joint Venture South Mining Chemical Company LLP (the "Company") was incorporated on 1 August 2014 under the laws of the Republic of Kazakhstan. On 17 October 2014 National Atomic Company "Kazatomprom" JSC (hereinafter, "NAC KAP") transferred the subsoil use rights in accordance with the Addendum No.4 to the Exploration and Production Contract No.1800 on the block 4 of Inkai deposit, and Addendum No.7 to the Exploration and Production Contract No.647 on Akdala deposit (the "Contracts") to the Company. The subsoil use contract for Akdala field is valid for the period of 25 years, starting from 28 March 2001. The subsoil use contract for block 4 of Inkai deposit is valid for 24 years, starting from 8 July 2005.

Previously the Contracts were owned by Joint Venture Betpak Dala LLP, a related party. During 2014, according to the court decision, Joint Venture Betpak Dala LLP's contractual subsoil use rights were revoked, and the Contracts were returned to the original owner – NAC KAP; all respective contractual mine development assets were acquired from Joint Venture Betpak Dala LLP at their carrying amounts. In 2014, a new company – Joint Venture South Mining Chemical Company LLP – was established, and NAC KAP transferred the Contracts and sold the mine development assets at their carrying amounts to it. In 2015, based on the decision of the Company's participants, the production assets were acquired from Joint Venture Betpak Dala LLP according to the sale and purchase agreement dated 1 October 2015.

As at the reporting date, the Company's principal activities are extraction and processing of uranium ore up to uranium oxide (hereinafter, the "finished product"). Uranium ore, extracted using the in-situ leaching method, is produced at the Company's block 4 of Inkai deposit and Akdala deposit located in Turkestanskaya Oblast and Kyzylordinskaya Oblast of the Republic of Kazakhstan. Commercial production at Akdala deposit and block 4 of Inkai deposit has been carried out since 2004 and 2009, respectively, and annual output in 2024 is 701 tons and 2,100 tons of uranium ore (2023: 795 tons and 1,695 tons). On 7 July 2022, the Company approved the Addendum No.11 to the Work Program under the Subsoil use Contract No.647 on Akdala deposit, under which the output in 2022 was approved at the level of 624 tons of uranium with gradual reduction during the subsequent years until 28 March 2026 inclusive. On 7 July 2022 the Company approved the Addendum No.6 to the Subsoil use Contract No.1800 at block 4 of Inkai deposit, under which the volume of uranium production in 2022 was approved at the level of 1,600 tons, with gradual increase to 2,400 tons of uranium per year up to the completion of the Contract on 8 July 2029. The Company produces its finished product at the processing facilities located at South Inkai mine with capacity up to 3,000 tons per year.

On 7 July 2023, 70% interest was transferred from Uranium One Rotterdam B.V to Uranium One Group JSC.

The Company's participants are NAC KAP and Uranium One Group JSC that own 30% and 70% interests in the Company, respectively.

The Company's registered office is: apartment 36, h. 23, microdistrict 1, Kyzemshek Village, Suzaksky District, Turkestanskaya Oblast, 161006, Republic of Kazakhstan.

As at 31 December 2024 the Company's average annual number of employees was 874 (31 December 2023: 858).

(b) Kazakhstan business environment

The Company's operations are primarily located in Kazakhstan. Consequently, the Company is exposed to the economic and financial markets of Kazakhstan which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan. Depreciation of the Kazakhstan Tenge and, the volatility in the global price of oil and the ongoing military conflict between the Russian Federation and Ukraine have also increased the level of uncertainty in the business environment.

Impact of anti-Russian sanctions

In February 2022, because of the military conflict between the Russian Federation and Ukraine, a number of countries imposed sanctions against the Russian Federation. These events affected the global economy, including increase in commodity and food prices, disruption of supply chains and increased inflationary pressure in many countries.

The Company's management assesses, on the ongoing basis, the possible impact of these restrictive measures and associated economic uncertainty on the Company's operations. As at the date of approval of these financial statements, no direct material impact of the sanctions on the Company's operations was identified. The management continues to closely monitor developments and takes all necessary measures to minimise potential risks.

The financial statements reflect management's assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Company. The future business environment may differ from management's assessment.

2 Basis of accounting

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

(b) Basis for measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

The national currency of the Republic of Kazakhstan is the Kazakhstan Tenge ("KZT") that is the Company's functional currency and the currency in which these financial statements are presented. All financial information presented in KZT has been rounded to the nearest thousand.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, and information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 20 – Provisions: provision for eliminating consequences of uranium exploration and production on the deposits;
- Note 12 – Mine development assets;
- Note 13 – Property, plant and equipment;
- Note 23 – Contingencies.

Critical judgements also relate to the following:

(ii) Useful lives of property, plant and equipment and mine development assets

The Company reviews the remaining useful lives of these assets at each reporting date, and, if the expected useful lives differ from prior periods estimates, the changes are accounted for as a change in the accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors.*

The factors affecting the estimated useful lives of mine development assets include the following:

- changes in proved and probable ore reserves;
- differences in the grade and quality of mineral resources;
- changes in the actual commodity prices and estimated commodity prices used to assess the ore reserves;
- operating issues related to production on the deposit; and
- changes in production, processes, decommissioning costs, discount rates and currency exchange rates that may negatively affect the economic viability of uranium ore mining.

Any of these changes may have impact on the future amortisation and carrying amount of capitalised costs. Management regularly reviews the appropriateness of the useful lives of non-current assets. The analysis is based on the current condition of the assets and the estimated period during which they will continue to generate economic benefits for the Company.

(ii) Uranium reserves

Uranium reserves represent a significant factor in the Company's activity. All reserves' estimates involve some degree of uncertainty, depending on the amount of reliable geological and engineering information available at the estimation date, and interpretations thereof. Estimates may be reviewed following the completion of various projects as to increase production capacity, improve productivity and change development strategy.

3 Material accounting policies

Changes in accounting policies

The Company adopted *Classification of Liabilities as Current or Non-current* (Amendments to IAS 1) and *Non-current Liabilities with Covenants* (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. Retrospective application of changes in accounting policy did not have significant impact on the comparatives in the statement of financial position as at 31 December 2023.

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

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on a historical cost are translated using the exchange rate at the date of the transaction.

(b) Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company irrevocably has elected to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets.
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest (SPPI criterion), the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingent events that would change the amount and timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c) Mine development assets

(i) Acquisition cost

Mine development assets are measured at cost less accumulated depreciation (amortisation) and accumulated impairment losses, if any.

The Company incurs costs related to finding mineral resources on unexplored blocks of the Deposits. These costs are capitalised as exploration and evaluation assets until the exploration is completed and include costs related to exploratory drilling, topographical, geological and geophysical studies and a pilot plant operation to develop uranium processing technology and confirm the economic feasibility of the project. Once the technical feasibility and commercial viability of the project is demonstrable, costs associated with the exploration and evaluation activities are tested for impairment and reclassified to mine development assets.

The Company also incurs costs to prepare the mining area for commercial extraction of uranium on producing blocks. These costs include costs directly attributable to ion exchange resin, construction of injection, pumping, inspection and ex-exploratory wells, wells sub-drilling, surface infrastructure of the well field, including piping, solutions distribution units, infield roads, reagents piping racks etc. These well field costs are recognised as tangible mine development costs.

(ii) Amortisation

Amortisation commences on the start of commercial extraction of uranium. Intangible mine development assets are amortised using the unit-of-production method based on the recoverable reserves on the deposits to which the assets relate.

Before 2023, tangible mine development assets related to a certain block were depreciated using the unit-of-production method based on the current extraction and available reserves on that block, determined during the initial exploration and further exploration carried out during the process of well field construction. From 1 January 2023, the Company changed from the block-by-block method used for depreciating tangible mine development assets to the unit-of-production depreciation method, based on reserves of the entire deposit that are ready for mining. The application of a new method enables the depreciation of tangible mine development assets evenly, nullifying the effects of under-extraction/over-extraction of reserves by blocks, resulting from inter-block cross-flows of solutions.

Tangible mine development assets related to the entire deposit are depreciated using the unit-of-production method based on the reserves of the deposit, which are planned to be extracted during the Contracts' terms. Under the unit-of-production method the Company understands the method of depreciation of the value of the assets calculated as a proportion to the amount of reserves extracted. Ion exchange resin is depreciated using output rates over its useful life. Depreciation of ion exchange resin is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

The cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

(ii) Subsequent expenditure

The cost of replacing a significant component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date they are installed and ready for use or, in respect of internally constructed assets, from the date that the asset is completed and ready for use. Depreciation is based on the cost of an asset less its estimated residual value.

Buildings and constructions related to the facilities of the mining and industrial complex are depreciated using the unit-of-production method based on proven reserves. Equipment that is inseparable from the buildings and constructions is also depreciated using the unit-of production method. However, the straight-line method of depreciation is applied to those machinery and equipment, which are available at the mine but which are used individually, are transportable and may be relocated to other places for operations.

Depreciation is generally recognised in profit or loss on a straight-line basis over the estimated useful lives for machinery and equipment, vehicles and other items of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives of significant items of property, plant and equipment for the current and comparative periods are as follows:

Buildings and constructions	Unit-of-production method;
Residential buildings	20 years;
Machinery and equipment	3-10 years;
Vehicles	5-10 years;
Other	3-7 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted-average-cost principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(f) Employee benefits

(i) Defined contribution plans

The Company does not incur any expenses in relation to provision of pensions or other post-employment benefits to employees. In accordance with the State pension social insurance regulations, the Company withholds pension contributions from employee salaries and transfers them into pension funds. Once pension contributions have been paid, the Company has no further pension obligations. Upon retirement of employees, all pension payments are administrated by the pension fund directly.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(g) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Elimination of the consequences of uranium exploration and production on the deposits

Mining operations of the Company are subject to various environmental laws and regulations. The Company estimates a provision for the obligation to eliminate consequences of uranium exploration and production at the uranium mine site based on management's understanding of the current legal requirements and terms of the Contract. The provision is estimated based on net present value of the costs to be incurred for eliminating consequences of uranium exploration and production at the mine site when such obligation arises. The actual costs to be incurred in future may substantially differ from the provision amount. Future amendments to environmental laws and regulations, change in deposit appraisal terms and discount rates may also affect the carrying amount of the provision.

(h) Revenue

(i) Sale of finished goods

A buyer obtains control of finished goods when the goods are delivered to, and have been accepted at, the destination point. The destination point under the contract is the buyer's warehouse, the seller's warehouse, the convertor or the processing plant. Invoices are generated at this point of time. Invoices are usually payable within 30 - 65 days.

All contracts for the sale of finished goods have one performance obligation. Revenue is recognised when the goods have been delivered and accepted at the buyer's warehouse, the convertor or the processing factory.

Revenue is measured based on the consideration specified in a contract with a customer. Under IFRS 15, revenue from these contracts is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Based on its assessment, the Company also believes that its existing contracts with customers do not contain a significant financing component as there is no difference between the transaction price and the price that would have been paid for the uranium if it is immediately paid in cash; and there is no significant impact from the period between the moment when the obligation is performed and the moment when the payment is made.

(ii) Transportation services

The Company provides uranium transportation services from the buyer's place of delivery to the end customer. A contract is concluded for one year. Invoices for the provision of services are reissued as reimbursement of costs for actual work performed, which is confirmed by the relevant act of work performed. Payments are made within 30-65 days.

(i) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or tax loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) Finance income and finance costs

Finance income comprises interest income on invested funds. Finance costs comprise interest expenses on loans and borrowings, unwinding of discount on provisions for elimination of the consequences of uranium exploration and production at the uranium deposits, as well as unwinding of discount on provisions for compensatory planting. Net remeasurement of loss allowance for trade receivables and other financial assets, and net foreign exchange gain are included in both finance income and finance costs.

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income as they accrue and are calculated using the effective interest method.

(k) New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements.

- *IFRS 18 Presentation and Disclosure in Financial Statements.*
- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to FRS 9 and IFRS 7 Financial Instruments).*
- *Lack of Exchangeability (Amendments to IAS 21).*

4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and disclosure purposes based on the valuation techniques as follows. Where applicable, further information about the assumptions made in measuring fair values of an asset or a liability is included in the notes related to such asset or liability.

(a) Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted using the market interest rate at the reporting date. Fair value of trade and other receivable with short maturity does not differ much from the carrying amount as the impact of the time value of money is insignificant.

(b) Non-derivative financial liabilities

Fair value of non-derivative financial liabilities, which is determined solely for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted using the market interest rate at the reporting date. Management believes that the fair value of the Company's financial assets and liabilities approximates to their carrying amounts.

5 Revenue

'000 KZT	**2024**	**2023**
Sale of uranium oxide	270,502,939	198,892,517
Other revenue	-	774,841
Revenue from contracts with customers	**270,502,939**	**199,667,358**

During 2024, the Company sold 63%, 29% and 7% of uranium produced to the companies Uranium Uan Group JSC (the RF), NAC KAP (Kazakhstan), and Uranium One Coöperatief U.A. (the Netherlands) (2023: 63%, 30% and 7% of uranium produced to the companies Uranium Uan Group JSC (the RF), NAC KAP (Kazakhstan), and Uranium One Coöperatief U.A. (the Netherlands), respectively. The entire revenue was recognised at a point in time, when the products were delivered to the customers.

The Company concludes contracts with customers for a period of one year with an approximate volume of planned shipments. Uranium selling prices are determined at the time of the transfer of control over the goods for each shipment, based on the arithmetic mean value of spot prices adjusted for discounts agreed by the parties. The Company has determined that each shipment constitutes one performance obligation and revenue thereon is recognised when the goods are delivered to, and have been accepted on the territory as specified in the contracts.

As part of the sale and purchase contract for natural uranium concentrate in the form of uranium oxide the Company provided services to transport sold uranium oxide to Canada. The Company identified that such services constitute a separate performance obligation and recognises revenue as part of other revenue from contracts with customers and related expenses – as part of cost of sales. Other revenue for 12 months of 2023 comprises revenue from this service in the amount of KZT 774,841 thousand.

The Company may also have an obligation to store and/or transport the goods to the specified destination after the sale of the goods; however, due to short-term and irregular nature of such obligations and insignificance of related expenses, the Company considers that revenue from such services is insignificant and, therefore, does not separate a performance obligation under such contract.

6 Cost of sales

'000 KZT	2024	2023
Taxes (including MET)*	17,711,652	10,902,292
Raw materials and consumables	17,354,957	9,379,327
Depreciation of mine development assets	10,341,993	6,001,956
Wages and salaries	7,108,574	6,131,624
Third party services	2,443,402	1,554,319
Depreciation and amortisation	1,889,796	1,858,568
Salary related taxes	1,155,345	910,748
Provision for vacation and bonus accruals	801,955	696,733
Depreciation of dismantling asset	378,283	1,251,678
Ion-exchange resin	244,535	200,946
Depreciation of geological exploration assets	235,772	226,055
Maintenance and repair	248,344	229,098
Transportation expenses (Note 5)	-	774,841
Other	365,637	807,037
	60,280,245	**40,925,222**

* From 1 January 2023, in accordance with the Tax Code of the RK, the rate of Mineral Extraction Tax (MET) on uranium extracted from the productive solution has been reduced from 18.5% to 6%, with a simultaneous change in the methodology for calculating the taxable base (from a calculation based on production costs to a calculation based on spot prices and physical volume of mineral reserves contained in mineral raw materials).

7 Distribution expenses

'000 KZT	2024	2023
Transportation expenses on finished goods	1,214,643	1,089,659
Wages and salaries	33,801	31,444
Salary related taxes	4,180	3,185
Other	4,052	3,429
	1,256,676	**1,127,717**

Where control over finished goods is conveyed once the goods are delivered to the specified destination, the Company recognises transportation expenses in distribution expenses.

8 Administrative expenses

'000 KZT	2024	2023
Wages and salaries	563,201	501,780
Third party services	447,065	393,117
Salary related taxes	63,276	51,426
Depreciation and amortisation	50,280	38,236
Membership fees	17,347	19,591
Raw materials and consumables	23,319	18,725
Charge of provision for vacation and bonus accruals	28,347	6,988
Sponsorship and charity	17,896	4,963
Other	40,547	33,699
	1,251,278	**1,068,525**

The fee for audit of the Company's financial statements prepared in accordance with IFRS Accounting Standards as at and for the year ended 31 December 2024 amounted to KZT 48,791 thousand, including VAT (2023: KZT 45,878 thousand). The fee for assistance in translation of financial statements into English and formatting in 2024 amounted to KZT 440 thousand, including VAT (2023: KZT 440 thousand).

9 Personnel costs

'000 KZT	2024	2023
Wages and salaries	8,512,003	7,351,860
Social tax and social security contributions	659,158	587,588
Obligatory professional pension contributions	409,698	262,057
Obligatory social security contributions	199,008	170,862
	9,779,867	**8,372,367**

In 2024, personnel costs have been charged to the cost of goods manufactured in the amount of KZT 9,115,409 thousand (2023: KZT 7,784,532 thousand), to administrative expenses – in the amount of KZT 626,477 thousand (2023: KZT 553,206 thousand) and to distribution expenses – in the amount of KZT 37,981 thousand (2023: KZT 34,629 thousand).

10 Finance income and finance costs

'000 KZT	2024	2023
Net foreign exchange gain	8,129,781	-
Interest income on deposits	1,898,698	582,294
Net remeasurement of loss allowance for trade receivables	-	552
Net remeasurement of loss allowance for financial assets	6,142	-
Finance income	**10,034,621**	**582,846**
Interest expense and other finance costs on loans and borrowings (Note 19)	(1,222,305)	(523,800)
Unwinding of discount on provisions (Note 20)	(1,094,135)	(842,024)
Penalties for late payment of dividends	(1,249,458)	(3,336,907)
Net remeasurement of loss allowance for financial assets	(6,693)	(1,523)
Net foreign exchange loss	-	(4,341,059)
Finance costs	**(3,572,591)**	**(9,045,313)**
Net finance costs	**6,462,030**	**(8,462,467)**

11 Income tax expense

In 2024, the Company's applicable tax rate is the income tax rate of 20% for Kazakhstan companies (2023: 20%).

'000 KZT	2024	2023
Current tax expense		
Current tax	44,178,722	31,224,210
Adjustments for prior years	61,532	24,760
Deferred tax expense		
Origination and reversal of temporary differences	(214,078)	(814,322)
	44,026,176	**30,434,648**

Reconciliation of effective tax rate:

	2024		2023	
	'000 KZT	**%**	**'000 KZT**	**%**
Profit before income tax	**212,894,253**	**100**	**143,133,324**	**100**
Income tax at applicable tax rate	42,578,851	20.0	28,626,665	20.0
Non-deductible expenses	1,385,791	0.7	1,783,223	1.2
Adjustments for prior years	61,534	-	24,760	-
	44,026,176	**20.7**	**30,434,648**	**21.2**

(a) Recognised deferred tax assets and liabilities

Under the current tax legislation of the Republic of Kazakhstan, the Company is obliged to maintain separate tax accounting records of the contractual and non-contractual activities. Taxable income from contractual activities is determined based on a 20%-increased cost of uranium productive solution, and taxable income from non-contractual activities is determined as a positive difference between the actual revenue generated from sale of finished goods and income from contractual activities.

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
'000 KZT	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**
Intangible assets	-	-	(3,284)	(8,739)	(3,284)	(8,739)
Property, plant and equipment	-	-	(359,532)	(236,123)	(359,532)	(236,123)
Site restoration asset	-	-	(310,029)	(251,621)	(310,029)	(251,621)
Temporary land use right	-	-	(232,062)	(243,273)	(232,062)	(243,273)
Historical costs asset	-	-	(11,262)	(11,943)	(11,262)	(11,943)
Provision for vacation and bonus accruals	190,506	144,907	-	-	190,506	144,907
Taxes	955,178	826,826	-	-	955,178	826,826
Provisions	814,587	628,149	-	-	814,587	628,149
Provision for compensatory planting obligation	261,436	255,213	-	-	261,436	255,213
Impairment allowance for inventories	26,505	20,819	-	-	26,505	20,819
Trade and other receivables	262	1,490	-	-	262	1,490
Other payables	14,065	6,587	-	-	14,065	6,587
	2,262,539	**1,883,991**	**(916,169)**	**(751,699)**	**1,346,370**	**1,132,292**

(b) Movement in temporary differences during the year

'000 KZT	**1 January 2024**	**Recognised in profit or loss**	**31 December 2024**
Intangible assets	(8,739)	5,455	(3,284)
Property, plant and equipment	(236,123)	(123,409)	(359,532)
Site restoration asset	(251,621)	(58,408)	(310,029)
Temporary land use right	(243,273)	11,211	(232,062)
Historical costs asset	(11,943)	681	(11,262)
Provision for vacation and bonus accruals	144,907	45,599	190,506
Taxes	826,826	128,352	955,178
Provisions	628,149	186,438	814,587
Provision for compensatory planting obligation	255,213	6,223	261,436
Impairment allowance for inventories	20,819	5,686	26,505
Trade and other receivables	1,490	(1,228)	262
Other payables	6,587	7,478	14,065
	1,132,292	**214,078**	**1,346,370**

'000 KZT	1 January 2023	Recognised in profit or loss	31 December 2023
Intangible assets	(9,025)	286	(8,739)
Property, plant and equipment	39,039	(275,162)	(236,123)
Site restoration asset	(677,271)	425,650	(251,621)
Temporary land use right	-	(243,273)	(243,273)
Historical costs asset	(14,356)	2,413	(11,943)
Provision for vacation and bonus accruals	115,599	29,308	144,907
Taxes	293,155	533,671	826,826
Provisions	536,425	91,724	628,149
Provision for compensatory planting obligation	-	255,213	255,213
Impairment allowance for inventories	23,342	(2,523)	20,819
Trade and other receivables	1,601	(111)	1,490
Other payables	9,461	(2,874)	6,587
	317,970	**814,322**	**1,132,292**

12 Mine development assets

Assets for development of block 4 of Inkai Deposit and of Akdala Deposit are classified as mineral resources development and production assets.

'000 KZT	Site restoration asset	Historical costs asset	Mine development assets	Geological exploration assets	Ion exchange resin	Temporary land use right (compensatory planting)	Total
At 1 January 2023	3,386,356	71,779	11,936,679	6,994,751	2,696,742	-	25,086,307
Additions	-	-	8,703,301	-	427,799	1,216,367	10,347,467
Depreciation	(1,317,882)	(12,065)	(6,330,355)	(229,967)	(204,608)	-	(8,094,877)
Transfer to property, plant and equipment (Note 13)	(1,118,254)	-	-	-	-	-	(1,118,254)
Change in estimate (Note 20)	307,887	-	(676,039)	-	-	-	(368,152)
At 31 December 2023	**1,258,107**	**59,714**	**13,633,586**	**6,764,784**	**2,919,933**	**1,216,367**	**25,852,491**
At 1 January 2024	1,258,107	59,714	13,633,586	6,764,784	2,919,933	1,216,367	25,852,491
Additions	-	-	19,363,382	-	562,210	-	19,925,592
Depreciation	(271,251)	(3,405)	(10,707,776)	(234,060)	(250,132)	-	(11,466,624)
Change in estimate (Note 20)	563,291	-	(115,303)	-	-	(56,055)	391,933
At 31 December 2024	**1,550,147**	**56,309**	**22,173,889**	**6,530,724**	**3,232,011**	**1,160,312**	**34,703,392**
Cost at 31 December 2023	3,415,439	201,548	50,469,563	9,351,194	4,089,057	1,216,367	68,743,168
Cost at 31 December 2024	**3,978,730**	**201,548**	**69,717,642**	**9,351,194**	**4,651,267**	**1,160,312**	**89,060,693**
Accumulated depreciation at 31 December 2023	(2,157,332)	(141,834)	(36,835,977)	(2,586,411)	(1,169,123)	-	(42,890,677)
Accumulated depreciation at 31 December 2024	**(2,428,583)**	**(145,239)**	**(47,543,753)**	**(2,820,471)**	**(1,419,255)**	**-**	**(54,357,301)**

Depreciation expense of KZT 11,466,624 thousand has been charged to cost of goods manufactured (2023: KZT 8,094,877 thousand).

13 Property, plant and equipment

'000 KZT	Buildings and constructions	Machinery and equipment	Vehicles and other	Under construction	Total
Cost					
Balance at 1 January 2023	14,613,591	6,007,771	1,628,007	2,442,857	24,692,226
Additions	-	2,667	1,222	3,196,006	3,199,895
Disposals	(8)	(265,166)	(1,406)	-	(266,580)
Change in estimate (Note 20)	362,333	-	-	-	362,333
Transfer from mine development assets (Note 12)	1,118,254	-	-	-	1,118,254
Transfer from assets under construction	305,215	1,684,140	588,113	(2,577,468)	-
Balance at 31 December 2023	**16,399,385**	**7,429,412**	**2,215,936**	**3,061,395**	**29,106,128**
Balance at 1 January 2024	16,399,385	7,429,412	2,215,936	3,061,395	29,106,128
Additions	-	-	-	3,782,684	3,782,684
Disposals	-	(71,013)	(66,974)	(7,411)	(145,398)
Change in estimate (Note 20)	291,158	-	-	-	291,158
Transfer from assets under construction	87,279	2,556,646	415,025	(3,058,950)	-
Balance at 31 December 2024	**16,777,822**	**9,915,045**	**2,563,987**	**3,777,718**	**33,034,572**
Depreciation and impairment losses					
Balance at 1 January 2023	(8,108,902)	(4,134,077)	(901,896)	(3,555)	(13,148,430)
Depreciation for the year	(1,140,126)	(579,325)	(183,834)	-	(1,903,285)
Disposals	8	263,392	1,345	-	264,745
Balance at 31 December 2023	**(9,249,020)**	**(4,450,010)**	**(1,084,385)**	**(3,555)**	**(14,786,970)**
Balance at 1 January 2024	**(9,249,020)**	**(4,450,010)**	**(1,084,385)**	**(3,555)**	**(14,786,970)**
Depreciation for the year	(657,535)	(947,130)	(256,076)	-	(1,860,741)
Disposals	-	69,250	60,877	3,555	133,682
Balance at 31 December 2024	**(9,906,555)**	**(5,327,890)**	**(1,279,584)**	**-**	**(16,514,029)**
Carrying amount					
At 31 December 2023	**7,150,365**	**2,979,402**	**1,131,551**	**3,057,840**	**14,319,158**
At 31 December 2024	**6,871,267**	**4,587,155**	**1,284,403**	**3,777,718**	**16,520,543**

Depreciation expense of KZT 1,860,741 thousand has been charged to cost of goods manufactured (2023: KZT 1,869,630 thousand), and KZT 45,817 thousand – to administrative expenses (2023: KZT 33,655 thousand).

As at 31 December 2024, the cost of property, plant and equipment, fully depreciated but still in use, amounted to KZT 1,778,891 thousand (31 December 2023: KZT 1,115,688 thousand).

14 Restricted cash

'000 KZT	31 December 2024	31 December 2023
Liquidation fund deposit	6,152,115	4,603,024
Interest on bank deposit	7,343	76,757
	6,159,458	**4,679,781**
Impairment loss allowance	(21,221)	(16,123)
	6,138,237	**4,663,658**

Restricted cash comprises long-term deposit accounts held with the banks to accumulate funds intended to eliminate consequences of mining operations, as required by the Contracts. As at 31 December 2024, cash was held in the deposit accounts with Halyk Bank of Kazakhstan JSC (31 December 2023: Halyk Bank of Kazakhstan JSC).

The Company's exposure to credit, currency and interest rate risks related to financial assets is disclosed in Note 22.

15 Inventories

'000 KZT	31 December 2024	31 December 2023
Finished goods	3,314,741	1,777,658
Work in progress	1,770,689	1,579,060
Raw materials and consumables	1,493,884	1,520,390
Impairment allowance	(132,526)	(104,094)
	6,446,788	**4,773,014**

16 Trade and other receivables

'000 KZT	31 December 2024	31 December 2023
Trade receivables due from related parties measured at amortised cost (Note 24)	125,069,001	68,055,551
Other receivables	38,180	34,366
	125,107,181	**68,089,917**
Impairment loss allowance	(1,309)	(7,451)
Total financial assets	**125,105,872**	**68,082,466**
VAT receivable	246,164	217,996
Other receivables	279,000	229,126
Total non-financial assets	**525,164**	**447,122**
	125,631,036	**68,529,588**

Trade and other receivables were denominated in the following currencies at 31 December 2024 and 31 December 2023:

'000 KZT	31 December 2024	31 December 2023
USD	77,433,889	58,089,817
KZT	48,197,147	9,992,649
	125,631,036	**68,082,466**

The Company's exposure to credit and currency risks related to financial assets is disclosed in Note 22.

17 Cash and cash equivalents

'000 KZT	31 December 2024	31 December 2023
Bank balances – USD	14,682,941	24,927,934
Bank balances – KZT	47,167,618	12,207,811
	61,850,559	**37,135,745**
Impairment loss allowance	(4,424)	(2,829)
	61,846,135	**37,132,916**

As at 31 December 2024 the Company has overnight deposits for a total amount of KZT 47,131,508 thousand bearing an interest rate from 11% to 14.85% p.a. (2023: KZT 37,096,090 thousand bearing an interest rate from 3% to 15% p.a.).

The Company's exposure to credit, currency and interest rate risks related to financial assets is disclosed in Note 22.

18 Equity

(a) Equity

'000 KZT	31 December 2024	Ownership interest	31 December 2023	Ownership interest
Uranium One Group JSC	44,800	70%	44,800	70%
NAC KAP	19,200	30%	19,200	30%
	64,000	**100%**	**64,000**	**100%**

(b) Dividends

In accordance with Kazakhstan legislation the Company's distributable reserves are limited to the balance of retained earnings as recorded in the Company's financial statements prepared in accordance with IFRS Accounting Standards. As at 31 December 2024, the Company's distributable reserves amounted to KZT 199,503,858 thousand (31 December 2023: KZT 120,794,722 thousand).

In 2024, the General Meeting of the Participants made decision to distribute 80% of net profit for 2023 among the Company's participants in the amount of KZT 90,158,941 thousand (2023: to distribute 90% of net profit for 2022 among the Company's participants in the amount of KZT 68,502,986 thousand).

The distributed net profit for 2023 of KZT 90,158,941 thousand was fully paid to the Participants during 2024, in proportion to their ownership interests.

The distributed net profit for 2022 of KZT 68,502,986 thousand was fully paid to the Participants during 2023, in proportion to their ownership interests.

19 Loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Company's exposure to interest rate, foreign currency and liquidity risk, see Note 22.

'000 KZT	31 December 2024	31 December 2023
Non-current liabilities		
Secured loan from Halyk Bank of Kazakhstan JSC	18,543,177	23,655
	18,543,177	**23,655**
Current liabilities		
Current portion of secured loan from Halyk Bank of Kazakhstan JSC	-	3,205,105
Interest payable	25,017	2,488
	25,017	**3,207,593**
	18,568,194	**3,231,248**

Terms and debt repayment schedule

Terms and debt repayment schedule of outstanding loans were as follows:

			31 December 2024		31 December 2023	
'000 KZT	**Currency**	**Year of maturity**	**Nominal value**	**Carrying amount**	**Nominal value**	**Carrying amount**
Secured loan from Halyk Bank of Kazakhstan JSC	US dollar	2024-2026	18,543,177	18,568,194	3,228,760	3,231,248
Total interest liabilities			**18,543,177**	**18,568,194**	**3,228,760**	**3,231,248**

Halyk Bank of Kazakhstan JSC

In 2023 the Company signed an addendum to the loan agreement to extend the term of availability of credit lines to 1 November 2024.

In 2024 the Company received loans for the total amount of USD 89,710 thousand (equivalent to KZT 41,755,349 thousand) with maturity in 18-36 months, repaid loans for the total amount of USD 61,500 thousand equivalent to KZT 29,807,707 thousand). The term of a credit line as part of the operating tranches has been extended until 27 January 2028, while the term of a credit line as part of the investment tranches has been extended until 17 August 2027. In accordance with amendments to IAS 1 *Classification of Liabilities as Current or Non-current* and *Non-Current Liabilities with Covenants*, the Company classified all loans as non-current liabilities (Note 3).

In 2024 the weighted average interest rate on loans ranged from 8.26% to 8.55% (2023: from 4.02% to 4.93%).

In accordance with the terms and conditions of the loan agreements with Halyk Bank of Kazakhstan JSC, the Company has to comply with certain loan covenants at the end of each year. In particular, the loan terms and conditions comprise financial covenants which require that the ratio of earnings before interest, taxes, depreciation, and amortization (EBITDA) does not exceed 2.0, while a current liquidity ratio is at least 1.0. Such financial covenants must be calculated based on the annual audited financial statements to be provided to the bank within 90 business days after the end of a financial year. The loan is to be repaid on demand, if the Company fails to comply with the main terms and conditions of the covenants.

As at 31 December 2024, the Company complied with all covenants (as at 31 December 2023: complied with all covenants).

According to the addendum dated 15 August 2024, cash received under the contract with Uranium One Group JSC for purchase and sale of natural uranium concentrate in the form of uranium oxide is used to secure this loan.

Reconciliation of movements of liabilities to cash flows arising from financing activities

'000 KZT	**2024**	**2023**
Balance at 1 January	**3,231,248**	**25,206,175**
Changes from financing cash flows		
Proceeds from loans and borrowings	41,755,349	-
Repayment of loans and borrowings	(29,807,707)	(21,622,667)
Total changes from financing cash flows	**11,947,642**	**(21,622,667)**
Effect of changes in foreign exchange rates	**3,367,724**	**(341,287)**
Other changes		
Liability-related		
Interest expense	1,222,305	523,800
Interest paid	(1,200,725)	(534,773)
Total other liability-related changes	**21,580**	**(10,973)**
Balance at 31 December	**18,568,194**	**3,231,248**

20 Provisions

	31 December 2024			31 December 2023		
'000 KZT	**Provision for elimination of consequences of uranium exploration and production**	**Provision for compensatory planting obligation**	**Total**	**Provision for elimination of consequences of uranium exploration and production**	**Provision for compensatory planting obligation**	**Total**
At the beginning of the year	7,549,878	1,276,066	8,825,944	6,773,372	-	6,773,372
Initial recognition	-	-	-	-	1,216,367	1,216,367
Change in estimate (Notes 12 and 13)	739,146	(56,055)	683,091	(5,819)	-	(5,819)
Unwinding of discount (Note 10)	1,006,966	87,169	1,094,135	782,325	59,699	842,024
At the end of the year	**9,295,990**	**1,307,180**	**10,603,170**	**7,549,878**	**1,276,066**	**8,825,944**

Provision for elimination of consequences of uranium exploration and production on the deposits

In accordance with the Contracts, the Company has obligations to eliminate consequences of uranium exploration and production activities on the contract territory, which include the liquidation works at the deposit facilities (well abandonment, liquidation of industrial pipelines, buildings and constructions, de-activation and disposal of low-level radioactive waste, etc.); reclamation works on the land plots used in the operational activity; environmental monitoring during reclamation works; post-rehabilitation control and other measures.

During 2022 the Company engaged an independent expert - Institute of High Technologies LLP, to update the programs for elimination of consequences of uranium exploration and production activities (the "Programs"). The total amounts of undiscounted expenses under the new programs for block 4 of Inkai deposit and Akdala deposit were KZT 9,026,872 thousand (VAT included) and KZT 6,527,993 (VAT included), respectively, and were calculated on the basis of more detailed methodology for estimating volumes and costs of future elimination works/costs.

During 2023, the Company continued using the programme of elimination of consequences of uranium exploration and production developed in 2022. The main provisions of the programme remained unchanged; however, the scope of works and relevant prices were updated based on the data of 2023. Such updates allowed to estimate costs on elimination of consequences of uranium exploration and production more precisely with regard to the current situation, and took into consideration changes in projected scope and cost of works.

During 2024, the Company engaged SAAF Group LLP to develop the project on elimination of consequences of uranium exploration and production on Akdala deposit. Notwithstanding the fact that as at 31 December 2024 the Company had not completed the process of approval of the first version of the report on the project, the preliminary data provided in calculations by SAAF Group LLP was used to calculate provision for liquidation of buildings and constructions, as the liquidation project constitutes a technical solution comprising all stages, techniques and methods of dismantling of facilities as well as measures to ensure security, environmental protection, waste handling and remediation. Elimination of consequences of uranium production is carried out in accordance with the elimination project developed on the basis of the elimination plan. The Company is obliged to submit the project of elimination of consequences of subsoil use to the authorised bodies for expert examination and obtaining conclusions within six months before the expiry of the subsoil use contract or completion of operations. It is a detailed document which describes certain technologies and procedure of elimination taking into consideration all regulatory and project requirements.

At 31 December 2024, the Company has updated the estimation of the total expected elimination costs that amounted to KZT 12,695,944 thousand (VAT included) and KZT 9,150,974 thousand (VAT included), respectively (2023: KZT 11,331,403 thousand and KZT 7,943,573 thousand).

It is assumed that a major part of expenses will be incurred at the end of the useful lives of the mines, which is an expected period until full extraction of the uranium reserves - 2026 for Akdala deposit and 2057 for block 4 of Inkai deposit. Even though the term of the Contract for block 4 of Inkai deposit expires in 2029, the Company believes that the obligations for elimination of consequences of uranium production on that deposit will continue to be fulfilled upon completion of extraction of all proven reserves by 2057, as the Code on Subsoil and Subsoil Use of the RK prohibits removal of depleted soil where unextracted uranium reserves still remain.

The key assumptions and circumstances that had a significant impact on the change in estimate in 2024 are as follows:

- Cost of the removal and disposal of low-level radioactive waste increased due to increase in number of wells where samples for laboratory examination were collected and solid radioactive waste were found.

The key assumptions and circumstances that had a significant impact on the change in estimate in 2023 are as follows:

- The total elimination costs have increased as a result of updated prices, which significantly differ from those in the previous program due to the current economic situation in Kazakhstan. The prices have been updated based on the ABC software.
- The current program provides for the removal and disposal of low-level radioactive waste (LRW) in special-purpose landfills, while the previous program provided for construction of the radioactive waste disposal site on the territory of Akdala deposit.

Estimated future cash flows were discounted to their net present value for Akdala deposit and for block 4 of Inkai deposit using discount rates of 12.37% and 12.40%, respectively (2023: 13.61% and 11.54%), while a projected long-term inflation rate was 7.05% and 4.04%, respectively (2023: 6.58% and 3.83%).

The Company is also obliged to hold cash on long-term bank deposits to finance future works to eliminate consequences of uranium exploration and production on the deposits as required by the Contracts (Note 14).

Given the long-term nature of the obligations and the limited practice of elimination of consequences of uranium exploration and production activities at the deposits in the Republic of Kazakhstan, there is uncertainty as to the actual amount of expenses to be incurred during the performance of the aforementioned works, the action plan to be used and discount rate to be applied to the present value of such future obligations.

Provision for compensatory planting obligation

According to the Article 54 of the Forest Code of Kazakhstan, subsoil users when using land plots of the state forest fund for uranium mining by the method of underground leaching, shall be obliged, during the first three years of subsoil development, to make compensatory plantings of forest plantations in double the size of the area used and to provide their maintenance before transferring to a forested fund.

On 22 September 2022 the Company concluded an agreement with Zhasyl Aimak Public Utility Agency to perform works on planting saksaul and hardwoods around Turkestan in the amount of KZT 1,390 million.

In 2023 the Company obtained a permit for a land plot with an area of 938 hectares of the state forest fund from Suzak State Enterprise for Protection of Forests and Wildlife for uranium extraction (Resolution No.46 of the Akim of Turkestan Region "On Provision of a Land Plot with the Right of Temporary Land Use"). As at 31 December 2023, the Company recognised a provision of KZT 1,307,180 thousand calculated at a discount rate of 12.40%, up to 2025 (2023: KZT 1,276,066 thousand calculated at a discount rate of 13.86%). In December 2023, the Company made a prepayment of KZT 417,196 thousand to Zhasyl Aimak Public Utility Agency.

21 Trade and other payables

'000 KZT	31 December 2024	31 December 2023
Trade payables to third parties	8,312,673	7,548,743
Taxes payable	5,977,082	4,955,751
Trade payables to related parties	4,041,439	1,608,436
Warranty retentions	1,778,849	1,208,070
Provision for vacation and bonus accruals	1,101,773	821,232
Other payables	417,738	205,923
	21,629,554	**16,348,155**

22 Financial instruments

The main risks inherent in the Company's daily operations are currency risk, interest rate risk and credit risk. The Company does not use hedging instruments to minimise those risks.

(a) Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk;
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Supervisory Board has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has not established a Risk Management Committee that is why the management is responsible for developing and monitoring the Company's risk management policies. Management reports regularly to the Supervisory Board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Financial instruments of the Company comprise receivables, payables, loans and borrowings, cash and cash equivalents and restricted cash. The Company's accounting policy with regard to the financial instruments is disclosed in Note 3 (c). The Company does not use financial instruments for speculative transactions and does not use the derivative financial instruments for hedging risks exposure.

The exposure to credit risk, liquidity risk and market risk arise in the normal course of business of the Company.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises mainly from the Company's trade receivables from customers.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

'000 KZT	31 December 2024	31 December 2023
Trade and other receivables	125,105,872	68,082,466
Cash and cash equivalents	61,846,135	37,132,916
Restricted cash	6,138,237	4,663,658
	193,090,244	**109,879,040**

(i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Total revenue of the Company is mostly attributable to sales transactions with two customers. Details of concentration of revenue are included in Note 5.

100% of the customers are the Company's related parties (2023: 100% of the customers), and no account balances of these customers were written-off or credit-impaired at the reporting date.

A summary of the Company's exposure to credit risk for trade and other receivables is as follows:

	31 December 2024	31 December 2023
'000 KZT	Not credit-impaired	Not credit-impaired
External or assigned credit rating from Moody's at least Baa3 or Standard & Poor's at least BBB-	47,635,097	68,053,364
Other customers:		
– More than three-year trading history with the Company	77,472,084	36,553
Total gross carrying amount	**125,107,181**	**68,089,917**
Impairment loss allowance	(1,309)	(7,451)
	125,105,872	**68,082,466**

(ii) Restricted cash

As at 31 December 2024, the Company held restricted cash for the total amount of KZT 6,159,458 thousand (31 December 2023: KZT 4,679,781 thousand) with the banks, which are rated BBB- (31 December 2023: banks, which are rated BBB-), based on rating agency Standard & Poor's (Note 14).

Impairment on restricted cash has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its restricted cash has low credit risk based on the external credit ratings of the counterparties.

As at 31 December 2024, the impairment allowance is KZT 21,221 thousand (31 December 2023: KZT 16,123 thousand).

(iii) Cash and cash equivalents

As at 31 December 2024 the Company held cash and cash equivalents for the total amount of KZT 61,850,559 thousand (31 December 2023: KZT 37,135,745 thousand). Cash and cash equivalents are held with banks rated from BB- to BBB- based on rating agency Standard & Poor's ratings (31 December 2023: with banks rated from BB- to BBB-) (Note 17).

Impairment on cash and cash equivalents has been measured on expected credit loss basis according to contractual maturity dates that reflect the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

As at 31 December 2024, the impairment allowance is KZT 4,424 thousand (31 December 2023: KZT 2,829 thousand).

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations – in accordance with the contract terms; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

		Contractual cash flows			
'000 KZT 31 December 2024	**Carrying amount**	**Total**	**0-3 months**	**3 months – 1 year**	**1-5 years**
Financial liabilities:					
Trade and other payables	(14,550,699)	(14,550,699)	(13,618,923)	(320,996)	(610,780)
Loans and borrowings	(18,568,194)	(19,345,043)	(7,376,853)	(9,238,463)	(2,729,727)
Total	**(33,118,892)**	**(33,895,741)**	**(20,995,775)**	**(9,559,459)**	**(3,340,507)**

		Contractual cash flows			
'000 KZT 31 December 2023	**Carrying amount**	**Total**	**0-3 months**	**3 months – 1 year**	**1-5 years**
Financial liabilities:					
Trade and other payables	(10,571,172)	(10,571,172)	(10,440,979)	(60,139)	(70,054)
Loans and borrowings	(3,231,248)	(3,243,655)	(1,813,664)	(1,406,195)	(23,796)
Total	**(13,802,420)**	**(13,814,827)**	**(12,254,643)**	**(1,466,334)**	**(93,850)**

(d) Capital and financial risk management

The Company manages capital to ensure the continued operations. The capital structure of the Company comprises the Company's equity (including the issued stock, retained earnings). The Company is not subject to externally imposed capital requirements. Management reviews the capital structure on the annual basis. Based on the review results the Company takes measure to balance the entire capital structure through increase of the charter capital.

(e) Market risk

Market risk is the risk that changes in market prices, such as spot quotations, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company neither buys and sells derivatives, nor incurs financial liabilities, in order to manage market risks. The Company does not apply special hedge accounting in order to manage volatility in profit or loss.

(i) Market price risk

The Company is exposed to the effect of fluctuations in the price of uranium, which is quoted in US Dollars on the international markets. The Company prepares an annual budget based on various levels of uranium prices in the future. Uranium prices historically fluctuate and are affected by numerous factors outside of the Company's control, including, but not limited to, levels of natural uranium production, depleting levels of secondary sources such as recycling and blended down highly enriched stocks available to close the gap of the excess demand over supply, regulations by International Atomic Energy Agency and other factors related specifically to uranium.

At the reporting date there was no significant impact of commodity price risk on financial assets and liabilities recognised by the Company.

The Company does not hedge its exposure to the risk of fluctuations in the price of uranium.

(ii) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currency in which these transactions are primarily denominated is USD.

In respect of monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The Company's exposure to currency risk was as follows based on notional amounts:

'000 KZT	Note	USD-denominated 31 December 2024	USD-denominated 31 December 2023
Trade and other receivables	16	77,433,889	58,089,817
Cash and cash equivalents	17	14,682,941	24,927,934
Restricted cash	14	6,138,237	4,663,658
Loans and borrowings	19	(18,568,194)	(3,231,248)
Trade and other payables		(12,472)	-
Net exposure		**79,674,401**	**84,450,161**

The following exchange rates have been applied during the year:

in KZT	Average interest rate 2024	Reporting date spot rate 31 December 2024	Average interest rate 2023	Reporting date spot rate 31 December 2022
1 USD	469.44	525.11	456.24	454.56

Sensitivity analysis

Weakening of the KZT, as indicated below, against the USD at 31 December would have increased profit net of taxes by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss	
'000 KZT	Strengthening of KZT	Weakening of KZT
31 December 2024		
KZT/USD (20% movement)	(12,747,904)	12,747,904
31 December 2023		
KZT/USD (20% movement)	(13,512,026)	13,512,026

Interest rate risk

Changes in interest rates impact primarily other financial liabilities, by changing either their fair value (fixed rate debt) or their future cash flows (variable rate debt). The Company's management does not have a formal policy of determining how much of the Company's exposure should be to fixed or variable rates. However, at the time of raising new loans or borrowings management uses its judgment to decide whether it believes that a fixed or variable rate would be more favourable to the Company over the expected period until maturity.

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	Carrying amount	Carrying amount
Fixed rate instruments		
'000 KZT	**31 December 2024**	**31 December 2023**
Cash and cash equivalents (Note 17)	61,846,135	37,096,090
Restricted cash (Note 14)	6,138,237	4,663,658
Loans and borrowings (Note 19)	(18,568,194)	(3,231,248)
	49,416,178	**38,528,500**

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed-rate financial instruments as fair value through profit or loss or as available-for-sale. Therefore, a change in interest rates at the reporting date would not have an effect in profit or loss or in equity.

(f) Fair value

Management believes that the fair value of its financial assets and liabilities approximates their carrying amounts. Fair values have been determined for measurement and disclosure purposes based on the following methods.

Fair value hierarchy

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company categorizes the value of financial assets and liabilities, except or the available-for-sale financial assets, to Level 2 of the fair value hierarchy;

As at 31 December 2024 the Company owns 7.07 % interest in Uranenergo LLP (31 December 2023: 7.07%) with fair value of KZT 0 (31 December 2023: KZT 0). This investment is not listed on a stock exchange and is accounted for as investment at fair value through other comprehensive income under IFRS 9. Because of limited market activity in the shares, the valuation is not benchmarked against observed transaction prices. Instead, the Company applies a model, in which certain inputs are unobservable. Hence, this investment has been included in Level 3 of fair value hierarchy.

23 Contingencies

(a) Insurance

The insurance industry in the Republic of Kazakhstan is in a developing state and many forms of insurance protection common in other parts of the world are not yet generally available. The Company does not have full coverage for its plant facilities, business interruption, or third party liability in respect of property or environmental damage arising from accidents on Company property or relating to Company operations. Until the Company obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the Company's operations and financial position.

The Company regularly purchases the insurance policies to reduce financial risk due to property damage, general liability, as well as the insurance policies that cover its employees against accidents and medical expenses.

(b) Taxation contingencies

The taxation system in Kazakhstan is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities, in particular recognition of income, expenses and other items of the financial statements under IFRS. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines and interest charges. A tax year generally remains open for review by the tax authorities for five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

These circumstances may create tax risks in Kazakhstan that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

Additional VAT assessment

In 2023, while conducting a cameral control, the State Revenue Committee of the Ministry of Finance of the Republic of Kazakhstan (the "SRC MF RK") detected discrepancies in the amount of turnover of export sale of uranium oxide (the "UO") to the Russian Federation (the "RF") according to the data of the Company and data received by the SRC MF RK as part of mutual exchange of information on applications for import of goods and payment of indirect taxes. It was determined that the amount of turnover of UO sold by the Company to the customer, a resident of the non-EAEU member state, was larger than the amount of turnover of UO sold by the Company's customer to the RF resident-company. As a result, the SRC MF RK accrued additional VAT on the difference between the VAT turnover stated in the application of the RF resident-company and the export turnover stated in the Company's VAT returns. In this respect, the SRC MF RK provided no notice on the results of the cameral control to the Company. The total amount of additional VAT accrued for the period from Q4 2019 to Q4 2022 was KZT 4,260 million, including a fine. The Company disagrees with such additional assessment and is planning to appeal against it in 2024. Although the Company's claim has been upheld by two courts in its favour, there is uncertainty about the outcome of this case. The Company paid the additionally accrued tax in 2023 to avoid any additional penalty and recognised the amount within other expenses in the statement of profit or loss and other comprehensive income.

(c) Environmental matters

The Company believes that currently it is in compliance with all existing Republic of Kazakhstan environmental laws and regulations. However, Kazakhstan environmental laws and regulations may change in the future. The Company is unable to predict the timing or extent to which these environmental laws and regulations may change. Such changes, if made, may require the Company to modernise technology to meet more stringent standards.

(d) Compliance with the Work Program

According to the terms and conditions of the Subsoil Use Contracts the Company is obliged to comply with certain financial and non-financial commitments such as cash contributions for professional training of Kazakhstan specialists and development of the social sphere of the region; cash contributions to a special account to fulfil its site restoration obligation in future; compliance with the annual production output, etc. If the Company fails to comply with these obligations, the Government of the Republic of Kazakhstan represented by the Ministry of Energy of the Republic of Kazakhstan (hereinafter, the "Competent Body"), may withdraw the Subsoil Use Contract.

The Company believes that as at the reporting date it complies with the above commitments as part of the Contracts.

24 Related parties

(a) Control relationship

Uranium One Group JSC is a controlling participant of the Company, whose controlling shareholder is Rosatom State Atomic Energy Corporation ("Rosatom"). The ultimate controlling party of Rosatom is the Government of the Russian Federation.

The controlling shareholder of NAC KAP is Sovereign Wealth Fund "Samruk-Kazyna" JSC, which, in its turn, is controlled by the Government of the Republic of Kazakhstan. NAC KAP has publicly available financial statements.

(b) Related party transactions

During the period, the Company has made a number of transactions with the related parties:

	Sales	Purchase of services	Purchase of production and other assets	Sales	Purchase of services	Purchase of production and other assets
'000 KZT	**2024**	**2024**	**2024**	**2023**	**2023**	**2023**
Uranium One Group JSC	173,033,306	-	-	138,492,246	-	-
Uranium One Coöperatief U.A	17,823,050	-	-	10,208,341	-	-
NAC KAP	79,646,583	40,343	-	50,966,771	18,138	-
Companies under common or joint control of the participants	-	2,679,215	33,393,291	-	1,900,258	6,545,930

Balance payable/receivable as at the end of the reporting period:

	Receivables from related parties	Payables to related parties	Receivables from related parties	Payables to related parties
'000 KZT	**31 December 2024**	**31 December 2024**	**31 December 2023**	**31 December 2023**
Uranium One Group JSC	77,433,889	-	58,089,817	-
NAC KAP	47,635,097	1,173	9,963,547	1,060
Companies under common or joint control of the participants	15	4,040,266	2,187	1,607,376

Dividends

	Transaction value for the year ended 31 December		Outstanding balance as at 31 December	
'000 KZT	**2024**	**2023**	**2024**	**2023**
Participants	(90,158,941)	(68,502,986)	-	-

(c) Key management remuneration

Directors and other key management received the following remuneration during the reporting year, which is included in personnel costs (see Note 9):

'000 KZT	2024	2023
Salaries and bonuses	98,211	78,034
Salary related taxes	7,828	5,996
	106,039	**84,030**

(d) Transactions with government and government-related companies

In the ordinary course of business, the Company conducts transactions with government bodies and companies under control of the Republic of Kazakhstan and Russian Federation. These transactions were conducted on the terms, which are comparable with those of other counteragents.

For the years ended 31 December 2024 and 31 December 2023, details of transactions of the Company with government-related entities which are significant individually and significant collectively but not individually are disclosed in Note 24(b).

In addition, on 22 September 2022 the Company concluded an agreement with Zhasyl Aimak Public Utility Agency to perform works on planting saksaul and hardwoods around Turkestan in the amount of KZT 1,390 million. In December 2023, the Company made a prepayment of KZT 417,196 thousand (Note 20).

25 Subsequent events

Repayment of loans and borrowings

In January 2025, the Company repaid the loans in the amount of USD 10,022 thousand (equivalent to KZT 5,189,784 thousand) from Halyk Bank of Kazakhstan JSC, including principal in the amount of USD 9,760 thousand (equivalent to KZT 5,054,098 thousand) and interest in the amount of USD 262 thousand (equivalent to KZT 135,686 thousand).

Additional VAT assessment

In January 2025, on behalf of the SRC MF RK, a cassation appeal was brought before the Supreme Court of the Republic of Kazakhstan.