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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION OF RG GOLD LLP TO THE DIRECTORS OF ZIJIN GOLD INTERNATIONAL COMPANY LIMITED, MORGAN STANLEY ASIA LIMITED AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of RG Gold LLP ("RGG") set out on pages 3 to 60, which comprises the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows of RGG for each of the years ended 31 December 2022, 2023, 2024 and the six months ended 30 June 2025 (the "Relevant Periods"), and the statements of financial position of RGG as at 31 December 2022, 2023, 2024 and 30 June 2025 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages 3 to 60 forms an integral part of this report, which has been prepared for inclusion in the prospectus of Zijin Gold International Company Limited (the "Company") dated 19 September 2025 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

The Underlying Financial Statements of RGG as defined on page IC-3, on which the Historical Financial Information is based, were prepared by the directors of RGG. The directors of RGG are responsible for the preparation of the Underlying Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as the directors of RGG determine is necessary to enable the preparation of Underlying Financial Statements that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of RGG as at 31 December 2022, 2023, 2024 and 30 June 2025 and of the financial performance and cash flows of RGG for each of the Relevant Periods in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of RGG which comprises the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the six months ended 30 June 2024 and other explanatory information (the "Interim Comparative Financial Information").

The directors of the Company are responsible for the preparation of the Interim Comparative Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

The Historical Financial Information is stated after making such adjustments to the Underlying Financial Statements as defined on page 3 as were considered necessary.

Dividends

We refer to Note 10 to the Historical Financial Information which contains information about the dividends paid by RGG in respect of the Relevant Periods.

Ernst & Young

Certified Public Accountants
Hong Kong
19 September 2025

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of RGG for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young Limited Liability Partnership in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (the "Underlying Financial Statements").

The Historical Financial Information is presented in United States Dollar ("USD") and all values are rounded to the nearest thousand (USD'000) except when otherwise indicated.

I. **HISTORICAL FINANCIAL INFORMATION (continued)**

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2022 USD'000	2023 USD'000	2024 USD'000	Six months ended 30 June 2024 USD'000 (Unaudited)	2025 USD'000
Revenue	6	117,261	367,431	472,499	205,562	338,823
Cost of sales	7	(68,387)	(238,318)	(250,992)	(120,017)	(152,159)
Gross profit		48,874	129,113	221,507	85,545	186,664
Other income and gains	8	3,413	5,237	9,245	2,046	6,338
Selling and distribution expenses		(69)	(209)	(146)	(79)	(105)
Administrative expenses	9	(3,343)	(4,638)	(9,035)	(3,020)	(3,589)
(Impairment losses)/reversal of impairment losses on financial assets, net		(195)	135	(288)	(301)	-
Other expenses	11	(1,597)	(708)	(7,127)	(6,574)	(42,206)
Finance costs	12	(2,022)	(2,056)	(1,271)	(457)	(1,048)
PROFIT BEFORE TAX		45,061	126,874	212,885	77,160	146,054
Income tax expenses	13	(8,919)	(26,111)	(41,420)	(14,029)	(36,248)
PROFIT FOR THE YEAR/PERIOD		36,142	100,763	171,465	63,131	109,806
OTHER COMPREHENSIVE (LOSS)/INCOME						
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods, net of tax:						
Exchange differences on translation into presentation currency		(9,733)	3,401	(43,178)	(12,690)	(603)
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR/PERIOD, NET OF TAX		(9,733)	3,401	(43,178)	(12,690)	(603)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		26,409	104,164	128,287	50,441	109,203

I. HISTORICAL FINANCIAL INFORMATION (continued)

STATEMENTS OF FINANCIAL POSITION

	Notes		31 December		30 June
		2022	2023	2024	2025
		USD'000	USD'000	USD'000	USD'000
NON-CURRENT ASSETS					
Property, plant and equipment	14	46,207	59,145	87,392	114,367
Right-of-use assets	15	448	1,097	809	685
Intangible assets	16	28,062	35,520	35,856	36,312
Deferred tax assets	17	-	-	-	3,097
Restricted cash	22	1,838	2,652	3,124	3,144
Other non-current assets	18	1,155	6,590	5,563	6,675
TOTAL NON-CURRENT ASSETS		77,710	105,004	132,744	164,280
CURRENT ASSETS					
Inventories	19	54,787	84,907	95,978	97,846
Trade receivables	20	20,674	29,888	51,051	35,233
Prepayments, other receivables and other assets	21	54,462	13,370	7,068	1,475
Cash and cash equivalents	22	21,675	69,693	6,090	141,940
TOTAL CURRENT ASSETS		151,598	197,858	160,187	276,494
CURRENT LIABILITIES					
Trade payables	23	9,388	10,788	42,357	37,224
Other payables and accruals	24	2,749	693	15,297	59,868
Income tax payables		-	1,760	-	17,769
Interest-bearing bank and other borrowings	25	35,140	2,332	19,102	1,101
Provisions	26	27	28	24	24
Lease liabilities	15	225	229	319	176
TOTAL CURRENT LIABILITIES		47,529	15,830	77,099	116,162
NET CURRENT ASSETS		104,069	182,028	83,088	160,332
TOTAL ASSETS LESS CURRENT LIABILITIES		181,779	287,032	215,832	324,612

I. **HISTORICAL FINANCIAL INFORMATION (continued)**

STATEMENTS OF FINANCIAL POSITION (continued)

	Notes	31 December 2022 USD'000	31 December 2023 USD'000	31 December 2024 USD'000	30 June 2025 USD'000
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	25	9,623	8,244	6,467	5,964
Lease liabilities	15	264	925	582	614
Deferred tax liabilities	17	773	985	271	-
Provisions	26	1,974	3,569	3,701	4,020
TOTAL NON-CURRENT LIABILITIES		12,634	13,723	11,021	10,598
NET ASSETS		169,145	273,309	204,811	314,014
EQUITY					
Share capital	27	12,428	12,428	12,428	12,428
Reserves		156,717	260,881	192,383	301,586
TOTAL EQUITY		169,145	273,309	204,811	314,014

I. HISTORICAL FINANCIAL INFORMATION (continued)

STATEMENTS OF CHANGES IN EQUITY

	Share capital USD'000	Exchange fluctuation reserve USD'000	Retained profits USD'000	Total equity USD'000
Year ended 31 December 2022				
At 1 January 2022	12,428	(15,878)	146,186	142,736
Profit for the year	-	-	36,142	36,142
Exchange differences on translation into presentation currency	-	(9,733)	-	(9,733)
Total comprehensive income for the year	-	(9,733)	36,142	26,409
At 31 December 2022	12,428	(25,611)	182,328	169,145
Year ended 31 December 2023				
At 1 January 2023	12,428	(25,611)	182,328	169,145
Profit for the year	-	-	100,763	100,763
Exchange differences on translation into presentation currency	-	3,401	-	3,401
Total comprehensive income for the year	-	3,401	100,763	104,164
At 31 December 2023	12,428	(22,210)	283,091	273,309
Year ended 31 December 2024				
At 1 January 2024	12,428	(22,210)	283,091	273,309
Profit for the year	-	-	171,465	171,465
Exchange differences on translation into presentation currency	-	(43,178)	-	(43,178)
Total comprehensive income for the year	-	(43,178)	171,465	128,287
Dividends declared	-	-	(196,785)	(196,785)
At 31 December 2024	12,428	(65,388)	257,771	204,811
Six months ended 30 June 2025				
At 1 January 2025	12,428	(65,388)	257,771	204,811
Profit for the period	-	-	109,806	109,806
Exchange differences on translation into presentation currency	-	(603)	-	(603)
Total comprehensive income for the period	-	(603)	109,806	109,203
At 30 June 2025	12,428	(65,991)	367,577	314,014
Six months ended 30 June 2024 (unaudited)				
At 1 January 2024	12,428	(22,210)	283,091	273,309
Profit for the period	-	-	63,131	63,131
Exchange differences on translation into presentation currency	-	(12,690)	-	(12,690)
Total comprehensive income for the period	-	(12,690)	63,131	50,441
At 30 June 2024	12,428	(34,900)	346,222	323,750

I. HISTORICAL FINANCIAL INFORMATION (continued)

STATEMENTS OF CASH FLOWS

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (unaudited)	USD'000
CASH FLOWS FROM OPERATING CTIVITIES					
Sale of goods	110,749	395,315	483,173	230,786	389,081
Rendering of services	590	1,031	2,658	1,535	481
Payments to suppliers for goods and services	(72,574)	(233,049)	(212,854)	(118,545)	(147,846)
Salary payments	(10,399)	(13,724)	(15,382)	(7,783)	(8,923)
Income tax payments	(11,489)	(22,987)	(48,199)	(13,715)	(15,173)
Other taxes paid	(17,236)	(57,910)	(51,395)	(8,679)	(22,996)
Payments of interest	(1,316)	(1,240)	(2,753)	(2,302)	(880)
Other payments	(43)	(516)	(43)	(12)	(18)
Net cash flows (used in)/from operating activities	(1,718)	66,920	155,205	81,285	193,726
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, plant and equipment	-	-	72	75	-
Return of loans issued to related parties	4,126	63,825	113,398	29,364	-
Interest received	-	7,158	6,209	1,154	4,814
Purchase of property, plant and equipment	(10,566)	(20,979)	(17,989)	(7,608)	(12,099)
Purchase of intangible assets	(436)	(1,133)	(2,009)	(555)	(1,331)
Acquisition of exploration and evaluation assets	(2,364)	(5,278)	(7,755)	(1,232)	(789)
Addition of capitalised stripping cost	(2,162)	(1,790)	(24,658)	(7,760)	(16,535)
Loans issued to related parties	-	(25,301)	(106,357)	(107,225)	-
Contributions to a liquidation fund for restoration obligation	(261)	(810)	(746)	-	(8)
Other payments	(30)	(30)	(33)	-	-
Net cash flows (used in)/from investing activities	(11,693)	15,662	(39,868)	(93,787)	(25,948)

I. HISTORICAL FINANCIAL INFORMATION (continued)

STATEMENTS OF CASH FLOWS (continued)

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (unaudited)	USD'000
CASH FLOWS FROM FINANCING ACTIVITIES					
New interest-bearing bank borrowings	35,000	12,000	38,168	-	-
Dividend payments	-	-	(185,331)	-	(11,424)
Repayment of interest bearing bank borrowings	(15,500)	(47,000)	(20,904)	(8,797)	(18,244)
Payment of principal portion of lease liabilities	(207)	(220)	(204)	(98)	(116)
Net cash flows from/(used in) financing activities	19,293	(35,220)	(168,271)	(8,895)	(29,784)
Effect of foreign exchange rate changes, net	(848)	656	(10,669)	254	(2,144)
Net increase/(decrease) in cash and cash equivalents	5,034	48,018	(63,603)	(21,143)	135,850
Cash and cash equivalents as at 1 January	16,641	21,675	69,693	69,693	6,090
Cash and cash equivalents at the end of the year/period	21,675	69,693	6,090	48,550	141,940

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

RGG is a limited liability partnership as defined in the Civil Code of the Republic of Kazakhstan and was established on 5 July 2013 (reregistration certificate number 897-1902-24-TOO dated 5 July 2013) as Raygorodok LLP. In December 2015, RGG was renamed into RG Gold LLP. Legal address of RGG is 80 Mukhtar Auezov Str, Shchuchinsk, Akmola region, Republic of Kazakhstan, 021700.

RGG is fully owned by Cantech S.a.r.l (the "Parent"), Cantech S.a.r.l , is owned by V Group International S.A. (65%) and RCF VII – RG Gold S.a.r.l (35%). RGG's ultimate beneficiaries are the members of the family of Mr. B. Utemuratov, resident of Republic of Kazakhstan.

Principal activities of RGG

RGG's principal activity is gold mining and production and related operations, including exploration, development and processing in the Republic of Kazakhstan under the "Contract for Exploration with Subsequent Extraction of Gold-Bearing Ores within Novodneprovskaya Area in Burabai District of Akmola Oblast of the Republic of Kazakhstan, in accordance with the License of series MG No. 890". Act of State Registration No. 486 dated 19 June 2000 (the "Contract") was signed between Gold Land LLC (the "Predecessor Subsurface User") and Investment Agency of the Republic of Kazakhstan (the "Competent Body"). In October 2012, the rights to the Contract were transferred to Orion Minerals LLP, RGG acquired the subsurface use right from Orion Minerals LLP under the Contract of Subsurface Use Right Purchase and Sale No. III-474 dated 18 July 2013. At the time of acquisition of the subsurface use right, Severny Raygorodok field had been developed and ready for further mining and processing.

Under the Contract RGG has a subsurface use right in Novodneprovskaya contract territory where two ore fields are located: Novodenprovskoye (including Novodneprovskoye field) and Raygorodskoye (including Severny Raygorodok and Yuzhny Raygorodok fields and prospecting site Sharyk; Central Raygorodok ore occurrence and Zapadny Raygorodok and Mokhovy prospecting blocks). The contract territory is located in Burabai District of Akmola Oblast, Republic of Kazakhstan.

Severny Raygorodok and Yuzhny Raygorodok fields form the basis of RGG's raw material resources base; reserves of oxidised and primary ores were explored and approved by the State Commission for Mineral Reserves of the Republic of Kazakhstan (the "SCMR") in 2008 (Minute No. 724-08-У dated 13 August 2008) with regard to Severny Raygorodok, and in 2013 – with regard to Yuzhny Raygorodok field (Minute No. 1281-13-У dated 12 April 2013). The updated reserves of oxidised and primary ores on Yuzhny Raygorodok field were explored and approved in 2017 (Minute No. 1801-17-У dated 11 April 2017). In 2018, the SCMR approved the reserves of oxidised and primary ores in the Severny Raygorodok field (Minute No. 1936-18-У dated 14 June 2018). In 2023, ore reserves at North Raygorodok and South Raygorodok were restated in accordance with the KAZRC code.

In 2020, RGG applied to Ministry of Industry and Infrastructure Development ("MID") for extending the extraction period until 2040. On 14 August 2021, RGG signed Addendum No. 15 to the Contract on extension of extraction period until 31 December 2040.

On 30 December 2022, RGG signed Addendum No. 18 to the Contract to extend the exploration period until 31 December 2024. Exploration license applied for renewal for 3 years. In 2024, RGG applied to the Ministry of Industry and Construction ("MIC") for a 3-year extension of the exploration license. On 30 December 2024, approval was received for the application. Under the terms, RGG is required to submit further material for consideration by the working group of MIC within one year.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted by RGG in the preparation of the Historical Financial Information throughout the Relevant Periods and in the period covered by the Interim Comparative Financial Information.

These Historical Financial Information has been prepared under the historical cost convention, except as discussed in the accounting policies and the notes to these financial statements.

The Historical Financial Information is presented in USD and all values are rounded to the nearest thousands, except when otherwise indicated.

The Historical Financial Information have been prepared on a historical cost basis, except as discussed in the accounting policies.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying RGG's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 5.

3. ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

RGG has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective. RGG intends to apply these new and amended IFRS Accounting Standards, if applicable, when they become effective.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Annual Improvements to IFRS Accounting Standards– Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026

2 Effective for annual/reporting periods beginning on or after 1 January 2027

3 No mandatory effective date yet determined but available for adoption

RGG is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. So far, RGG considers that these new and amended IFRS Accounting Standards may result in changes in accounting policies but are unlikely to have a significant impact on RGG's results of operation and financial position.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by RGG.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, RGG determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each Relevant periods.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in Note 30.

4. MATERIAL ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, RGG recognises such parts as individual assets with specific useful lives and depreciation, respectively.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss and other comprehensive income as incurred.

Depreciation of property, plant and equipment other than assets related to open-pit mine operation is calculated on a straight-line basis over the following estimated useful lives:

	Estimated useful lives
Buildings and constructions	10-15 years
Machinery and equipment	3-7 years
Motor vehicles	7-10 years
Other	3-7 years

Major renovations are depreciated over the remaining useful life of the relevant asset or up to the date of the next major renovation, whichever is earlier.

Land and construction in progress are not depreciated. Assets related to open-pit mine operation are depreciated using the unit of production method depending on the proved geological reserves.

The cost of technical maintenance, repairs, and replacement of minor items of property, plant and equipment is charged to maintenance expense. Upon sale or disposal, the cost and respective accumulated depreciation are eliminated from the accounts of property, plant and equipment. Any resulting gains or losses arising on sale or disposal are included in the statement of profit or loss and other comprehensive income.

Construction in progress comprises costs directly related to field development, construction of buildings, infrastructure, machinery and equipment. Construction in progress is stated at cost less any impairment losses, and is not depreciated.

Once the asset is completed and commissioned, the cost associated with the asset is transferred to property, plant and equipment. Amortisation of these assets commences when the assets are ready for their intended use.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Provision

Provisions are recognised when RGG has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where RGG expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

Site restoration
RGG assesses site restoration costs based on the estimates of RGG's engineers, with due account of required restoration works according to the current legislation and practice. Site restoration liability is recognised at the present value using the discount rate of the expected cost of debt repayment and is recognised provided that the current liability exists. The liability amount is included in the carrying amount of respective assets and amortised over the useful life of the asset. The liability increases over time by regular charging of costs to profit or loss and decreases by the actually incurred site restoration costs.

The current environmental activity costs are expensed as incurred. Changes in the estimate of the existing site restoration liability, which arise due to changes in the estimates of timing or amount of outflows of resources, which entail economic benefits required to fulfil this obligation, or change in the discount rate, are added to or deducted from the value of the respective assets in the current period. When a respective asset reaches the end of useful life, these changes are recognised in the statement of profit or loss and other comprehensive income.

The management reviews total site restoration costs at the end of each Relevant period to determine whether significant changes have been made in the estimated costs. The management's assessment of the site restoration costs may change as a result of change in the applicable legislation, site restoration plan and estimates of costs and timing of expected costs.

In accordance with the amendments made to the Environmental Code of the Republic of Kazakhstan, after the termination of the operation of facilities that have a negative impact on the environment, the owners of the facilities are obliged to ensure the elimination of the consequences of the operation of the facilities in accordance with the requirements of the legislation of the Republic of Kazakhstan. As part of the liquidation of the consequences of the operation of facilities that have a negative impact on the environment, work must be carried out to bring land plots into a condition that ensures the safety and (or) health of people, environmental protection and suitable for their further use for their intended purpose, in the manner provided by the land legislation of the Republic of Kazakhstan.

In 2021, a new Environmental Code came into force. One of the provisions of this Code obliges to obtain integrated environmental permits related to the use of the best available techniques (BAT) issued by the Committee for Environmental Regulation and Control of the Ministry of Ecology, Geology and Natural Resources of the Republic of Kazakhstan. In addition, according to the new provisions of the Code in relation to the category of objects that have a negative impact on the environment, RGG is classified as an object that has a significant negative impact on the environment (objects of the 1st category).

Management believes that RGG does not have significant obligations under applicable law that are not reflected in RGG's financial statements. Estimated liabilities formed on the cost of restoring sites after depletion of reserves are based on the assessment of RGG's specialists, In the event of events that affect the estimated future costs of carrying out these types of work, the provisions will be adjusted accordingly.

4. MATERIAL ACCOUNTING POLICIES (continued)

Lease

RGG assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

RGG as a lessee
RGG applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. RGG recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

RGG recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. sets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to RGG at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are also tested for impairment. See description of accounting policies in Impairment of non-financial assets.

(b) Lease liabilities

At the commencement date of the lease, RGG recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by RGG and payments of penalties for terminating the lease, if the lease term reflects RGG exercising the option to terminate the lease. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, RGG uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

RGG applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption for lease of low-value assets to leases of parking places that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

RGG assesses at the end of each of the Relevant Periods whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, RGG estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. RGG bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of RGG's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Financial instruments – initial recognition and subsequent measurement

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

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and RGG's business model for managing them. With the exception of trade and other accounts receivable that do not contain a significant financing component or for which RGG has applied the practical expedient of not adjusting the effect of a significant financing component, RGG initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which RGG has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

RGG's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that RGG commits to purchase or sell the asset.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

Subsequent measurement
The subsequent measurement of financial assets depends on their classification.

The category of financial assets measured at amortised cost is the most appropriate for RGG.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment, Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

RGG's financial assets at amortised cost include trade and other accounts receivable and loans issued.

Derecognition
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

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

When RGG has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, RGG continues to recognise the transferred asset to the extent of its continuing involvement. In that case, RGG also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that RGG has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that RGG could be required to repay.

Impairment of financial assets
RGG recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that RGG expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach: ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition. ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Simplified approach: For trade receivables that do not contain a significant financing component or when RGG applies the practical expedient of not adjusting the effect of a significant financing component, RGG applies a simplified approach in calculating ECLs. Under the simplified approach, RGG does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each of the Relevant Periods. RGG used a provision matrix based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

Financial assets (continued)
RGG considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, RGG may also consider a financial asset to be in default when internal or external information indicates that RGG is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by RGG. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value, net of (in the case of loans and borrowings and trade and other accounts payable) directly attributable transaction costs.

RGG's financial liabilities include trade and other accounts payable, interest-bearing bank and other borrowings.

Subsequent measurement
The subsequent measurement of financial liabilities depends on their classification, as described below:

Trade and other accounts payable
Trade and other accounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to RGG.

Interest-bearing bank and other borrowings
After initial recognition, interest-bearing bank and other borrowings are measured at amortised cost using the EIR method. Gains and losses on such financial liabilities are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

This category mainly includes interest-bearing loans and borrowings, more details are provided in Note 25.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets acquired by RGG, which have finite useful lives, are stated at cost (which comprises its purchase price plus any directly attributable costs of preparing the asset for its intended use) less accumulated amortisation and impairment losses.

In accordance with subsurface use contract RGG shall compensate a certain portion of historical costs incurred by Kazakhstan government in licensing, prior to the issue of the licenses. These historical costs are recognised as a part of the cost of acquisition of a contract with a respective liability equalling the present value of payments, which will be made during the effective period of the license.

Amortisation of historical costs, subsurface use right, exploration and evaluation assets with proven reserves, temporary land use right and field restoration assets is recognised in profit or loss for the period using the units-of-production ("UOP") method. The amount of amortisation for the period is calculated based on the volume of extracted ore in tons during the Relevant Periods.

Other intangible assets represent software and licenses and are recorded at cost less accumulated amortisation, which are amortised using the straight-line method over the estimated period of their useful life, comprising 3 to 7 years.

Exploration and evaluation assets

(a) Recognition and subsequent measurement

Exploration and evaluation assets are measured at cost less accumulated impairment.

Deposit exploration and evaluation costs refer to those costs, which have arisen from exploration and evaluation of potential reserves of mineral resources and include the following: acquisition of the rights for geological exploration; conducting geological survey; exploratory drilling and sampling; assessment of technical and economic feasibility and commercial viability of production of mineral resources.

Costs incurred prior to the works on exploration and evaluation of potential reserves of mineral resources, which are performed before acquisition of the legal right for exploration on the respective block, are expensed as incurred.

The capitalised costs include expenses directly associated with exploration and evaluation on the respective prospecting site. Costs are accumulated for each individual deposit. General and administrative expenses are allocated to exploration and evaluation asset only to the extent that may be directly attributable to the operating activity on the respective prospecting site. Capitalisation takes place either in property, plant and equipment, or intangible assets depending on the nature of the expenses.

Borrowings costs relating to acquisition of exploration and evaluation assets are not capitalised.

Exploration and evaluation assets shall no longer be classified as such when technical feasibility and commercial viability of extracting mineral resources on the respective prospecting site are demonstrable.

Once the recoverable reserves of mineral resources have been discovered, the exploration and evaluation assets are transferred to development assets and depreciated prorated to the production volume based on the proved and probable reserves. No amortisation is charged during the exploration and evaluation phase.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Intangible assets (continued)

(b) Impairment of exploration and evaluation assets

Exploration and evaluation assets are tested for impairment at the time of their reclassification to the tangible or intangible assets of the extracting activity, or if there are facts and circumstances, which evidence impairment thereof. Impairment loss is recognised in the amount of excess of the carrying amount of an exploration and evaluation asset over its recoverable amount.

The recoverable amount of exploration and evaluation asset is the greater of its value in use and its fair value less costs to sell. For the purpose of impairment testing, the exploration and evaluation assets to be tested are grouped together with the available generating units of the developed deposits.

Inventories

Inventories are valued at the lower of cost or net realisable value. Costs comprise charges incurred in bringing inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is determined on the following bases:

- Raw materials and consumables are measured using the weighted average cost method; and
- Work in progress and finished goods is the cost of production, including the appropriate proportion of depreciation, labour and overheads based on normal operating capacity. The cost of work in progress and finished goods is based on the weighted average cost method.

Net realisable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, cash in current bank accounts, and other short-term highly liquid investments with original maturities of three months or less.

Restricted cash balances are excluded from cash and cash equivalents for the purpose of cash flow statement. Cash balances restricted from being exchanged or used to settle a liability for at least twelve months after the end of each of the Relevant Periods are included in cash restricted in use.

Prepayment

Advances paid are recorded at initial cost less impairment provision. Advances paid are classified as non-current when goods or services associated with advances are to be received beyond a year, or if advances are associated with an asset, which at the initial recognition is classified as non-current. Advances for PPE are charged to the cost of these PPE when RGG obtains control over these assets and there is a probability that future economic benefits associated with these assets will flow to RGG. When there are indications of inability to receive goods or services related to advances paid, the carrying amount of advances paid is decreased and related impairment loss is recognised in the statement of profit or loss and other comprehensive income.

4. MATERIAL ACCOUNTING POLICIES (continued)

Revenue from contracts with customers

RGG's activities are related to the production of gold-silver Dore alloy and its subsequent sale. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which RGG expects to be entitled in exchange for those goods or services. RGG has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Below are the criteria that also apply to certain other revenue-generating transactions with customers:

Sale of goods
Revenue from the sale of goods or services is recognised after (or in the course) RGG settled its performance obligation by transferring the goods or services to the customer. An asset is transferred when (or as) the customer takes control over the asset. Revenue from sale of products and rendering of services is estimated to reflect the recovery that RGG expects to receive in exchange for those goods or services, net of related sales taxes (VAT).

RGG's sales of Dore gold allow for price adjustments based on the market price at the end of the relevant quotation periods ("QP") stipulated in the contract. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer. Adjustments to the sales price occur based on movements in quoted market prices up to the end of the QP.

Contract balances

Trade receivables
Trade receivables are recognised when the amount of refund that is unconditional (i.e. the moment when such consideration becomes payable is due only to the passage of time) becomes payable by the customer. Accounting policy for financial assets are discussed in "Financial instruments – initial recognition and subsequent measurement".

Contract liabilities
Contract liability is recognised, if a customer pays consideration before RGG transfers goods or services to the customer (whichever is earlier). Contract liabilities are recognised as revenue when RGG fulfils the performance obligation under the contract (i.e. transfers control of the related goods or services to a customer).

Interest income
Interest income is recognised using the EIR method for all financial instruments measured at amortized cost and interest-bearing financial assets classified as available-for-sale. EIR is the rate that exactly discounts expected future cash payments or receipts through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

Expense recognition
Expenses are accounted for at the time the actual flow of the related goods or services occur, regardless of when cash or its equivalent is paid, and are reported in the financial statements in the period to which they relate.

Taxes

Current income tax
Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate and tax law used to compute the amount are those that are enacted or substantially enacted in the Republic of Kazakhstan as at the end of each of the Relevant Periods.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

4. MATERIAL ACCOUNTING POLICIES (continued)

Taxes (continued)

Deferred income tax
Deferred tax is provided using the liability method on temporary differences at the end of each of the Relevant Periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the Relevant Periods and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each of the Relevant Periods.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Value added tax (VAT)
Revenues, expenses, and assets are recognised net off VAT, except:

- When VAT incurred on acquisition of assets or services is not recoverable from tax authorities, in this case VAT is recognised as a part of asset acquisition cost or a part of expense item, as appropriate;
- Amounts of receivables and payables are recorded together with VAT.

Net VAT amount expected to be recovered from or paid to the taxation authority is included into receivables or payables in the statement of financial position. VAT receivable can be offset with VAT payable, and at the request of RGG, VAT receivable may be returned in cash by the state tax authorities, in case of compliance with certain requirements of tax legislation for the recovery of the declared VAT amounts. In case when according to the existing tax legislation the recovery or offset of VAT is postponed for the next 12 months after the end of each of the Relevant Periods, such VAT recoverable is transferred to non-current assets. When unrecoverable, VAT recoverable is charged to expenses in the statement of profit or loss and other comprehensive income.

4. MATERIAL ACCOUNTING POLICIES (continued)

Dividends

Dividends are recognised as a liability and deducted from equity at the end of each of the Relevant Periods only if they are declared before or on the end of each of the Relevant Periods. Dividends are disclosed when they are proposed before the end of each of the Relevant Periods or proposed or declared after the end of each of the Relevant Periods but before the financial statements are authorised for issue.

Events after the reporting period

The results of events after the end of each of the Relevant Periods that provide evidence of conditions that existed at the end of each of the Relevant Periods (adjusting events) are reflected in the financial statements. Events after the end of each of the Relevant Periods that are not adjusting events are disclosed in the notes to the financial statements when material.

Foreign currency translation

Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operate ("the functional currency").

RGG selected USD as presentation currency for the presentation of Underlying Financial Statements while the functional currency of RGG is tenge. The financial statements of RGG prepared in tenge are translated to USD based on the provision of IAS 21 *The Effect of Changes in Foreign Exchange Rates*.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the end of each of the Relevant Periods exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign exchange rate
Weighted average currency exchange rates established by the Kazakhstan Stock Exchange ("KASE") are used as official currency exchange rates in the Republic of Kazakhstan.

Going concern

The financial statements have been prepared on a going concern basis, which assumes continuation of the course of business, realisation of assets and settlement of liabilities in the normal course of business.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of RGG's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of these items and contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Disclosure of other information regarding RGG's exposure to risks and uncertainties are presented in Note 30.

Judgements

In the process of applying RGG's accounting policies, management made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – RGG as a lessee

RGG determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

RGG has an office lease agreement that includes extension option. RGG applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. Taking into account all relevant factors that give rise to an economic incentive to exercise the option, RGG has concluded that the option to renew the lease will not be taken into account when determining the lease term.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below, Assumptions and estimates are based on RGG's initial data, which it had at the time of preparation of the financial statements, However, current circumstances and assumptions about the future may vary due to market changes or circumstances beyond the control of RGG, Such changes are reflected in the assumptions while they occur.

Leases – Estimating the incremental borrowing rate

RGG cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that RGG would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what RGG "would have to pay", which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. RGG estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). RGG determined incremental borrowing rate at 16%.

5. SIGNIFICANT ACCOUTNING JUDEGMETNS, ESTIMATES AND ASSUMPTION (continued)

Estimates and assumptions (continued)

Determination of ore reserves and useful lives of property, plant and equipment
Reserves are estimates of the amount of product that can be economically and legally extracted from RGG's mining properties. In order to estimate reserves, assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates.

A review of RGG's reserves and resources is undertaken on a regular basis with the approval by state authorities of the Republic of Kazakhstan.

Resources and reserves of the Severny and Yuzhniy Raygorodok gold deposits have been accepted for State subsoil registration of the Republic of Kazakhstan in accordance with the KAZRC Mineral Resources and Mineral Reserves Report for the Severny and Yuzhniy Raygorodok gold deposits in Burabay district of Akmola region of the Republic of Kazakhstan as of 2 January 2023.

In assessing the life of a mine for accounting purposes, mineral reserves are only taken into account where there is a high degree of confidence of economic extraction. Since the economic assumptions used to estimate reserves change from period to period, and as additional geological data is generated during the course of operations, estimates of reserves may change. Changes in reported reserves may affect RGG's financial results and financial position in a number of ways, including the following:

- Asset carrying values may be affected due to changes in estimated future cash flows;
- Depreciation, depletion and amortisation charged in the statement of profit or loss and other comprehensive income may change where such charges are determined by the unit of production basis, or where the useful economic lives of assets change;
- Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities; and
- The carrying value of deferred tax assets may change due to changes in estimates of the likely recovery of tax benefits.

There are numerous uncertainties inherent in estimating ore reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in reserves being revised.

For property, plant and equipment depreciated on a straight-line basis over its useful economic life, the appropriateness of the assets' useful economic life is reviewed at least annually, and any changes could affect prospective depreciation rates and asset carrying values.

5. SIGNIFICANT ACCOUTNING JUDEGMETNS, ESTIMATES AND ASSUMPTION (continued)

Estimates and assumptions (continued)

Impairment of non-financial assets
Impairment exists when the carrying amount of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculations are based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that RGG is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

RGG assesses at the end of each of the Relevant Periods whether there is an indication that an asset may be impaired. If any indication exists, also in cases when circumstances indicate that it's carrying value may be impaired, RGG estimates the asset's recoverable amount.

While analysing impairment indicators, RGG, among other factors, takes into account gold price dynamics, increase in RGG's cost of production and demand from key players of precious metals market.

Provision for expected credit losses
RGG uses a provision matrix to calculate ECLs for trade receivables and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on RGG's historical observed default rates. RGG will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. In making such judgements and estimates, RGG estimates the projected movements of the debtor's credit risk according to past repayment records, economic policies, macro-economic indicators and industry risks, etc. Different estimates may affect the impairment provision, and the amount of impairment provision may not equal to the actual amount of impairment loss in the future. At the end of each of the Relevant Periods, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. RGG's historical credit loss experience may also not be representative of customer's actual default in the future.

Site restoration provisions
RGG estimates the cost of future site restoration on the field based on estimates received from internal or external specialists after accounting for the expected method of dismantling and the degree of site restoration required by this legislation and industry practice.

The amount of the provision for site restoration is the present value of the estimated costs that are expected to be required to settle the obligation, adjusted for the expected level of inflation, risks inherent in the Kazakh market, and discounted using average risk-free interest rates on foreign securities. The present value of the provision for site restoration is reviewed at the end of each of the Relevant Periods and adjusted to reflect the best estimate. Estimating the future costs involves significant estimates and judgments by management.

The long-term inflation rates used in the calculation of the obligations in the statement of financial position as at 31 December 2022, 2023, 2024 and 30 June 2025 were 5.34%, 4.75%, 5.38%, and 5.71%, respectively. The discount rates used in the calculation of the obligations in the statement of financial position as at 31 December 2022, 2023, 2024 and 30 June 2025 were 8.92%, 8.77%, 9.21%, and 9.38%, respectively (Note 26). In accordance with the site restoration plan, field restoration activities are planned for the period from 2030 to 2040.

5. SIGNIFICANT ACCOUTNING JUDEGMETNS, ESTIMATES AND ASSUMPTION (continued)

Estimates and assumptions (continued)

Impairment of inventories
At the end of each of the Relevant Periods, RGG is testing the carrying amount of inventories for recoverability. For these purposes, RGG carries out a comprehensive assessment of inventories to be written off to their net realisable value. To a large extent, the assessment is subjective and is based on assumptions, in particular, on the forecast of production and repair, and also analyses stocks that have been idle for a certain amount of time.

Taxation
In assessing tax risks, management considers the likelihood of a liability arising in areas of tax positions for which it is known that RGG will not appeal against the tax authorities' interests or does not believe that the outcome of such appeals will be successful. Such estimates are based on significant judgment and are subject to changes in the event of changes in tax legislation, estimates of the expected outcome of potential litigation and the outcome of ongoing tax compliance audits by the tax authorities. RGG's tax liabilities and tax contingencies are disclosed in Note 13.

6. REVENUE

An analysis of revenue is as follows:

	Year ended 31 December			Six months ended 30 June	
	2022 USD'000	2023 USD'000	2024 USD'000	2024 USD'000 (Unaudited)	2025 USD'000
Income from sale of Dore alloy	115,186	367,003	465,441	201,069	327,502
Income from sale of Gold-bearing off-grade activated carbon	1,869	428	238	249	-
Fair value gains on provisionally priced trade receivables	206	-	6,820	4,244	11,321
	117,261	367,431	472,499	205,562	338,823

During the Relevant Periods and the six months ended 30 June 2024, revenue from Kazzinc LLP represented 69%, 63%, 68%, 83% and 74% of total revenue from contracts with customers, respectively. Revenue from Tau Ken LLP accounted for 31%, 37%, 32%, 17% and 26% of total revenue from contracts with customers, respectively.

During the Relevant Periods and the six months ended 30 June 2024, revenue from contracts with customers was generated in the Republic of Kazakhstan and recognised at a point in time.

RGG has elected the practical expedient as described in IFRS 15.121(b) to not disclose the remaining performance obligations for these types of contracts.

7. COST OF SALES

An analysis of cost of sales is as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Processing costs (i)	22,872	121,290	152,636	71,526	90,696
Mineral extraction tax	13,652	43,384	46,583	17,177	23,390
Mining costs	35,678	67,798	45,015	23,321	21,363
Payroll and related expenses	8,283	10,383	11,680	5,855	6,633
Depreciation and amortisation	3,693	6,615	6,869	3,111	3,617
Materials	9,347	9,958	5,547	2,981	2,912
Taxes other than income tax	490	2,175	2,629	897	1,272
Catering services	761	1,049	997	523	574
Repair and maintenance	229	524	844	294	314
Security services	391	498	567	286	300
Utility services	755	769	549	226	264
Laboratory-based work	1,524	1,390	1,640	616	205
Transportation expenses	54	85	118	41	52
Education and trainings	8	474	84	23	30
Engineer works	52	48	75	-	4
Change in work in progress and ore (Note 19)	(30,287)	(29,242)	(26,260)	(7,529)	(916)
Other	885	1,120	1,419	669	1,449
	68,387	238,318	250,992	120,017	152,159

(i) Processing costs are represented by primary ore processing services provided by RG Processing LLP.

8. OTHER INCOME AND GAINS

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Other income					
Interest income	3,097	2,953	7,262	1,369	5,675
Others	316	1,358	1,983	677	663
	3,413	4,311	9,245	2,046	6,338
Gains					
Foreign exchange gain, net	-	926	-	-	-
	-	926	-	-	-
	3,413	5,237	9,245	2,046	6,338

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

9. ADMINISTRATIVE EXPENSES

An analysis of administrative expenses is as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Payroll and related taxes	2,125	3,076	3,371	2,001	2,634
Depreciation and amortisation	265	543	691	359	339
Advisory and audit services	106	112	208	117	131
Conference participation, subscriptions	-	62	73	6	77
Education and trainings	21	48	81	32	66
Lease	10	3	8	4	65
Business trip expenses	17	41	293	83	64
Materials	66	71	78	33	41
Communications	70	59	60	34	15
Insurance	155	42	15	5	5
Bank fees	13	10	9	-	3
Utilities	41	3	5	3	2
Taxes other than income tax	264	139	17	13	1
Repair and maintenance	9	1	5	-	1
Fines and penalties	20	1	15	-	-
Research and development	-	-	3,510	169	-
Other	161	427	596	161	145
	3,343	4,638	9,035	3,020	3,589

10. DIVIDENDS

During the year ended 31 December 2024, RGG declared dividends of USD196,785 thousand and paid USD185,331 thousand, net of withholding tax. The remaining balance of dividends payable was paid in January 2025.

11. OTHER EXPENSES

An analysis of other expenses is as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Charity expenses	351	269	2,850	2,874	38,119
Foreign exchange loss, net	551	-	3,962	3,552	954
Disposal of non-current assets	-	32	23	21	7
Other	695	407	292	127	3,126
	1,597	708	7,127	6,574	42,206

For the six months ended 30 June 2025, RGG donated USD35,769 thousand to the Private Foundation "Bulat Utemuratov Foundation" for charitable purposes .

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

12. FINANCE COSTS

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Interest expenses on loans and borrowings	1,844	1,729	802	310	808
Interest expenses on leases (Note 15)	59	148	152	83	63
Unwinding of discount (Note 26)	119	179	317	64	177
	2,022	2,056	1,271	457	1,048

13. INCOME TAX EXPENSES

An analysis of RGG's provision for tax is as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Current tax expense	8,977	25,521	42,697	18,554	39,677
Deferred tax (benefit)/expense	(58)	198	(651)	(3,899)	(3,429)
Adjustment of prior years	-	392	(626)	(626)	-
	8,919	26,111	41,420	14,029	36,248

RGG is subject to corporate income tax determined in accordance with the laws of the Republic of Kazakhstan. During the Relevant Periods and the six months ended 30 June 2024, the corporate income tax rate was 20%.

Profit before tax for financial reporting purposes is reconciled to income tax expense as follows:

	Year ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	USD'000	USD'000	USD'000	USD'000 (Unaudited)	USD'000
Profit before tax	45,061	126,874	212,885	77,160	146,054
Theoretical income tax charge at statutory tax rate of 20%	9,012	25,375	42,577	15,432	29,211
Correction of current income tax	-	392	(626)	(626)	-
Non-deductible expenses	46	344	229	86	7,075
Income not subject to tax	(139)	-	(760)	(863)	(38)
Total income tax expense	8,919	26,111	41,420	14,029	36,248

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

14. PROPPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 31 December 2022, 2023, 2024 and 30 June 2025 are presented as follows:

	Buildings and constructions USD'000	Machinery and equipment USD'000	Development assets USD'000	Other property, plant and equipment USD'000	Construction in progress USD'000	Total USD'000
Initial Cost						
As at 1 January 2022	5,371	10,477	18,632	1,239	19,879	55,598
Additions	35	2,024	2,142	191	7,877	12,269
Disposals	(3)	(66)	(597)	(43)	(168)	(877)
Internal transfers	25,695	70	370	1	(25,766)	370
Translation reserve	(480)	(711)	(1,268)	(84)	(1,246)	(3,789)
As at 31 December 2022	30,618	11,794	19,279	1,304	576	63,571
Additions	23	3,306	539	195	13,502	17,565
Disposals	(18)	(110)	-	(28)	(2)	(158)
Internal transfers	113	201	-	-	(314)	-
Translation reserve	545	224	350	23	61	1,203
As at 31 December 2023	31,281	15,415	20,168	1,494	13,823	82,181
Additions	35	1,499	24,720	389	19,545	46,188
Disposals	-	(228)	-	(37)	(210)	(475)
Internal transfers	28,504	308	-	14	(28,826)	-
Translation reserve	(7,070)	(2,195)	(5,212)	(234)	(840)	(15,551)
As at 31 December 2024	52,750	14,799	39,676	1,626	3,492	112,343
Additions	352	2,522	17,364	297	9,815	30,350
Disposals	-	(70)	-	(16)	(2)	(88)
Internal transfers	331	86	-	-	(417)	-
Translation reserve	307	47	(51)	6	(136)	173
As at 30 June 2025	53,740	17,384	56,989	1,913	12,752	142,778
Accumulated depreciation and impairment						
As at 1 January 2022	(2,307)	(5,019)	(6,979)	(836)	(284)	(15,425)
Charge for the year	(954)	(1,352)	(537)	(155)	-	(2,998)
Impairment	-	-	-	-	(82)	(82)
Disposals	3	61	-	33	-	97
Translation reserve	159	341	469	56	19	1,044
As at 31 December 2022	(3,099)	(5,969)	(7,047)	(902)	(347)	(17,364)
Charge for the year	(2,298)	(1,778)	(1,179)	(210)	-	(5,465)
Disposals	12	88	-	22	-	122
Translation reserve	(65)	(113)	(129)	(16)	(6)	(329)
As at 31 December 2023	(5,450)	(7,772)	(8,355)	(1,106)	(353)	(23,036)
Charge for the year	(2,574)	(1,854)	(1,090)	(230)	-	(5,748)
Disposals	-	197	-	32	-	229
Translation reserve	983	1,196	1,213	166	46	3,604
As at 31 December 2024	(7,041)	(8,233)	(8,232)	(1,138)	(307)	(24,951)
Charge for the period	(1,987)	(850)	(492)	(111)	-	(3,440)
Disposals	-	69	-	10	-	79
Translation reserve	(8)	(37)	(50)	(2)	(2)	(99)
As at 30 June 2025	(9,036)	(9,051)	(8,774)	(1,241)	(309)	(28,411)
Carrying value						
As at 31 December 2022	27,519	5,825	12,232	402	229	46,207
As at 31 December 2023	25,831	7,643	11,813	388	13,470	59,145
As at 31 December 2024	45,709	6,566	31,444	488	3,185	87,392
As at 30 June 2025	44,704	8,333	48,215	672	12,443	114,367

As at 31 December 2024 and 30 June 2025, the carrying amount of property, plant and equipment pledged as collateral under the loans received was USD442 thousand and USD42,020 thousand (Note 25).

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

15. LEASE

(a) Right-of-use assets

The carrying amounts of RGG's right-of-use assets and the movements are as follows:

	Buildings and constructions USD'000
Initial cost	
As at 1 January 2022	1,127
Additions	-
Translation reserve	(75)
As at 31 December 2022	1,052
Modification	880
Translation reserve	22
As at 31 December 2023	1,954
Exchange rate differences	93
Translation reserve	(268)
As at 31 December 2024	1,779
Exchange rate differences	-
Translation reserve	-
As at 30 June 2025	1,779
Accumulated depreciation	
As at 1 January 2022	(422)
Depreciation charge	(211)
Translation reserve	29
As at 31 December 2022	(604)
Depreciation charge	(241)
Translation reserve	(12)
As at 31 December 2023	(857)
Depreciation charge	(253)
Translation reserve	140
As at 31 December 2024	(970)
Depreciation charge	(132)
Translation reserve	8
As at 30 June 2025	(1,094)
As at 31 December 2022	448
As at 31 December 2023	1,097
As at 31 December 2024	809
As at 30 June 2025	685

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

15. LEASE (continued)

On 11 December 2019, RGG has concluded an agreement for the rent of office premise for a period of 5 years, RGG has a primary right to conclude a lease for a new term after expiration of a lease term under the contract. In March 2023, RGG entered into an agreement extending the lease term to 1 April 2028 with an option to renew.

RGG also has certain leases of office with lease terms of 12 months or less and leases of parking places with low value. RGG applies recognition exemptions for the short-term lease and lease of low-value assets for these leases.

Set out below is the carrying amount of the lease liability and the movements during the Relevant Periods:

	31 December			30 June
	2022	2023	2024	2025
	USD'000	USD'000	USD'000	USD'000
At the beginning of the year/ period	745	489	1,154	901
Modification due to exchange rate	-	874	91	(1)
Interest expense (Note 12)	59	148	152	63
Repayment of interest	(59)	(148)	(152)	(63)
Repayment of principal	(207)	(220)	(204)	(116)
Translation reserve	(49)	11	(140)	6
At the end of the year/period	489	1,154	901	790
Analysed into:				
Current portion	225	229	319	176
Non-current portion	264	925	582	614

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

16. INTANGIBLE ASSETS

	Subsurface use right and social program USD'000	Exploration and evaluation assets and mining assets USD'000	Temporary land-use right USD'000	Exploration and evaluation assets USD'000	Other USD'000	Total USD'000
Cost						
As at 1 January 2022	3,353	11,648	2,745	12,805	689	31,240
Additions	-	210	74	2,256	18	2,558
Change in estimates *(Note 26)*	(62)	(208)	-	-	-	(270)
Transfer to development assets	-	-	-	(370)	-	(370)
Disposals	-	-	(13)	-	-	(13)
Translation reserve	(225)	(780)	(183)	(866)	(46)	(2,100)
As at 31 December 2022	3,066	10,870	2,623	13,825	661	31,045
Additions	-	556	77	5,851	1,276	7,760
Change in estimates *(Note 26)*	-	854	-	-	-	854
Disposals	-	-	(289)	-	-	(289)
Translation reserve	55	200	45	322	17	639
As at 31 December 2023	3,121	12,480	2,456	19,998	1,954	40,009
Additions	-	454	53	6,375	380	7,262
Internal transfer	-	4,419	-	(4,419)	-	-
Change in estimates *(Note 26)*	-	(108)	-	-	-	(108)
Translation reserve	(412)	(2,137)	(330)	(2,837)	(297)	(6,013)
As at 31 December 2024	2,709	15,108	2,179	19,117	2,037	41,150
Additions	-	41	9	784	69	903
Change in estimates *(Note 26)*	-	84	-	-	-	84
Translation reserve	17	90	13	102	11	233
As at 30 June 2025	2,726	15,323	2,201	20,003	2,117	42,370
Accumulated amortisation						
As at 1 January 2022	(924)	(1,001)	(179)	-	(294)	(2,398)
Amortisation charge	(115)	(463)	(99)	-	(72)	(749)
Translation reserve	62	70	12	-	20	164
As at 31 December 2022	(977)	(1,394)	(266)	-	(346)	(2,983)
Amortisation charge	(194)	(879)	(198)	-	(181)	(1,452)
Disposals	-	-	5	-	-	5
Translation reserve	(18)	(28)	(6)	-	(7)	(59)
As at 31 December 2023	(1,189)	(2,301)	(465)	-	(534)	(4,489)
Amortisation charge	(163)	(937)	(165)	-	(294)	(1,559)
Translation reserve	174	400	79	-	101	754
As at 31 December 2024	(1,178)	(2,838)	(551)	-	(727)	(5,294)
Amortisation charge	(60)	(477)	(64)	-	(142)	(743)
Translation reserve	(6)	(9)	(2)	-	(4)	(21)
As at 30 June 2025	(1,244)	(3,324)	(617)	-	(873)	(6,058)
Net book value						
As at 31 December 2022	2,089	9,476	2,357	13,825	315	28,062
As at 31 December 2023	1,932	10,179	1,991	19,998	1,420	35,520
As at 31 December 2024	1,531	12,270	1,628	19,117	1,310	35,856
As at 30 June 2025	1,482	11,999	1,584	20,003	1,244	36,312

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

16. INTANGIBLE ASSETS (continued)

As at 31 December 2022 and 2024 and 30 June 2025, no intangible assets were pledged as collateral for the loan. As at 31 December 2023, intangible assets namely the subsurface use right under Contract No. 486 dated 19 June 2000 with a net book value of USD1,533 thousand temporary land- use right for 8 land plots (under a contract for exploration with subsequent gold mining) with a net book value of USD151 thousand and temporary land use right for 1 land plots (for the implementation of the gold processing plant, overhead lines, tailings) with a net book value of USD185 thousand were pledged as collateral for a loan received from Development Bank of Kazakhstan JSC.

At the end of each of the Relevant Periods, the depreciation methods, useful lives and residual values are reviewed for any necessary revisions and revised as necessary.

RGG owns the following licenses for the exploration of solid minerals which provide the right to use subsurface plots for the purpose of conducting exploration operations for solid minerals in accordance with the Code of the Republic of Kazakhstan dated 27 December 2017 On Subsurface and Subsurface Use:

- No. 663-EL dated 24 June 2020, valid for 6 years from the date of issue;
- No. 664-EL dated 24 June 2020, valid for 6 years from the date of issue;
- No. 665-EL dated 24 June 2020, valid for 6 years from the date of issue;
- No. 666-EL dated 24 June 2020, valid for 6 years from the date of issue;
- No. 667-EL dated 24 June 2020, valid for 6 years from the date of issue;
- No. 668-EL dated 24 June 2020, valid for 6 years from the date of issue;

RGG also owns a license to use the subsurface territory, which grants the rights to use land plots:

- No. 7-IPN dated 22 February 2021, valid until 2046 from the date of issue

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

17. DEFERRED TAX

Deferred tax balances calculated by applying the income tax rates in effect at the end of each of the Relevant Periods to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the Historical Financial Information, comprised the following:

	1 January 2022	Change through profit or loss	Translation reserve	31 December 2022	Change through profit or loss	Translation reserve	31 December 2023	Change through profit or loss	Translation reserve	31 December 2024	Change through profit or loss	Translation reserve	30 June 2025
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Deferred tax assets													
Provisions for site restoration	109	(17)	(7)	85	102	2	189	648	(92)	745	60	4	809
Provision for unused vacations	95	(4)	(7)	84	-	2	86	(18)	(10)	58	625	(10)	673
Exchange difference on accounts payable	-	-	-	-	-	-	-	684	(71)	613	340	(2)	951
Taxes	33	(24)	(3)	6	3	-	9	41	(6)	44	2,649	(44)	2,649
Interest on the loan	-	246	(1)	245	127	5	377	(360)	(12)	5	(2)	-	3
Provision for impairment of inventories	-	50	-	50	-	1	51	(6)	(6)	39	-	-	39
Provision for expected credit losses	-	41	-	41	(27)	1	15	56	(8)	63	-	-	63
Change in fair value of accounts receivable	-	-	-	-	-	-	-	147	(15)	132	(189)	4	(53)
Lease liabilities	-	98	-	98	131	2	231	(23)	(28)	180	(23)	1	158
	237	390	(18)	609	336	13	958	1,169	(248)	1,879	3,460	(47)	5,292
Deferred tax liabilities													
Property, plant and equipment and intangible assets	(1,072)	(439)	129	(1,382)	(534)	(27)	(1,943)	(518)	311	(2,150)	(31)	(14)	(2,195)
Other non-current assets	(55)	107	(52)		-	-	-	-	-	-	-	-	-
	(1,127)	(332)	77	(1,382)	(534)	(27)	(1,943)	(518)	311	(2,150)	(31)	(14)	(2,195)
Deferred income tax benefit/(expense)	-	58	-	-	(198)	-	-	651	-	-	3,429	-	-
Net deferred tax (liabilities)/assets	(890)	-	-	(773)	-	-	(985)	-	-	(271)	-	-	3,097

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

18. OTHER NON-CURRENT ASSETS

As at 31 December 2022, 2023, 2024 and 30 June 2025, other non-current assets comprised:

	31 December			30 June
	2022 USD'000	2023 USD'000	2024 USD'000	2025 USD'000
Advances paid for property, plant and equipment and intangible assets	1,155	850	2,388	3,318
Inventories, non-current portion	-	5,740	3,175	3,357
Total	1,155	6,590	5,563	6,675

19. INVENTORIES

As at 31 December 2022, 2023, 2024 and 30 June 2025, inventories comprised:

	31 December			30 June
	2022 USD'000	2023 USD'000	2024 USD'000	2025 USD'000
Ore in stockpile	35,880	55,841	73,109	74,895
Work-in-progress	16,363	18,889	15,856	18,425
Raw materials	2,247	7,620	3,494	4,160
Finished products	-	2,057	3,060	-
Spare parts	297	500	459	366
Total	54,787	84,907	95,978	97,846

Spare parts and production materials in warehouses as of 31 December 2022, 2023, 2024 and 30 June 2025 were purchased to support the production works, processing workshop operations and infrastructure.

No heap leach stacking operations were planned or carried out in 2024, and all oxide ore reserves were classified as non-current inventory as of 31 December 2023. According to the production plan, the start of stacking is again planned for 2025. Consequently, a portion of the oxide ore stockpiles have been reclassified to short-term inventory as at 31 December 2024 and 30 June 2025.

20. TRADE RECEIVABLES

At 31 December 2022, 2023, 2024 and 30 June 2025, trade receivable comprised:

	31 December			30 June
	2022 USD'000	2023 USD'000	2024 USD'000	2025 USD'000
Trade receivables (subject to provisional pricing) – fair value (i)	20,674	29,888	51,051	35,233

(i) Trade receivables (subject to provisional pricing) are non-interest bearing, but as discussed in Note 4 above, are exposed to future commodity price movements over the QP and, hence, fail the SPPI test and are measured at fair value up until the date of settlement.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

		31 December 2022 USD'000	31 December 2023 USD'000	31 December 2024 USD'000	30 June 2025 USD'000
Prepayment for supply of inventories		898	586	530	252
Prepayment for services		1,463	779	345	165
Loans issued	(a)	50,543	7,274	-	-
Other receivables		365	1,382	18	103
Other assets		1,260	679	6,176	956
Less: allowance for expected credit losses		(67)	(2)	(1)	(1)
		54,462	13,370	7,068	1,475

(a) At 31 December 2022, 2023, 2024 and 30 June 2025, loans issued comprised:

	Currency	Interest rate	Maturity date	31 December 2022 USD'000	31 December 2023 USD'000	31 December 2024 USD'000	30 June 2025 USD'000
RG Processing LLP	USD	0-6%	On demand	50,291	7,008	-	-
Cantech S.a.r.l	Euro	2%	On demand	252	266	-	-
				50,543	7,274	-	-

In 2024, Cantech S.a.r.l repaid principal amount for USD256 thousand and related interest.

Principal and interest amount must be repaid on each loan by the borrower within 15 days after receiving from RGG a formal written collection notice.

As at 31 December 2022, 2023, 2024 and 30 June 2025, RGG did not recognise an allowance for expected credit losses on loans issued to related parties, as the credit risk of the related parties is low.

Set out below is the information about the credit risk exposure on RGG's other receivables using a matrix of reserves:

As at 31 December 2022

	Total	Current	Past due: Less than 90 days	Past due: 90-180 days	Past due: 180-270 days	Past due: More than 270 days
Estimated credit loss rate		0.45%	-	-	20.75%	-
Estimated total gross carrying amount at default	365	46	-	-	319	-
Allowance for expected credit losses	67	1	-	-	66	-

21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS(continued)

As at 31 December 2023

			Past due			
	Total	Current	Less than 90 days	90-180 days	180-270 days	More than 270 days
Estimated credit loss rate		0.11%	-	-	-	0.00%
Estimated total gross carrying amount at default	1,382	182	-	-	-	1,200
Allowance for expected credit losses	2	2	-	-	-	-

As at 31 December 2024

			Past due			
	Total	Current	Less than 90 days	90-180 days	180-270 days	More than 270 days
Estimated credit loss rate		0.06%	-	-	-	-
Estimated total gross carrying amount at default	18	18	-	-	-	-
Allowance for expected credit losses	1	1	-	-	-	-

As at 30 June 2025

			Past due			
	Total	Current	Less than 90 days	90-180 days	180-270 days	More than 270 days
Estimated credit loss rate		0.19%	-	-	-	-
Estimated total gross carrying amount at default	103	103	-	-	-	-
Allowance for expected credit losses	1	1	-	-	-	-

22. CASH AND CASH EQUIVALENTS, AND RESTRICTED CASH

Cash and cash equivalents

At 31 December 2022, 2023, 2024 and 30 June 2025, cash and cash equivalents comprised:

		31 December		30 June
	2022	2023	2022	2025
	USD'000	USD'000	USD'000	USD'000
Cash on deposit accounts in KZT (less than three months)	-	3	6,018	138,008
Cash on current bank accounts in KZT	16,297	69,690	72	62
Cash on current bank accounts in USD	5,378	-	-	3,855
Cash on current bank accounts in RUB*	-	-	-	15
	21,675	69,693	6,090	141,940

* RUB represents Russian Ruble

During the Relevant Periods, no interest was accrued on cash balances on current bank accounts. As at 31 December 2022, 2023 and 2024 and 30 June 2025, deposit accounts of up to three months denominated in KZT bear interest ranging from 12.50% to 15.50% per annum.

Restricted cash

At 31 December 2022, 2023, 2024 and 30 June 2025, restricted cash comprised:

		31 December		30 June
	2022	2023	2024	2025
	USD'000	USD'000	USD'000	USD'000
Restricted cash in KZT	807	1,492	1,964	1,984
Restricted cash in USD	1,031	1,160	1,160	1,160
	1,838	2,652	3,124	3,144

Amounts reserved for execution of liabilities on future site restoration will be available for use with the permission of competent body, approved by the authorised agency on protection and subsurface use and the Central executive body on environmental protection.

23. TRADE PAYABLES

As at 31 December 2022, 2023, 2024 and 30 June 2025, trade payable comprised:

		31 December		30 June
	2022	2023	2024	2025
	USD'000	USD'000	USD'000	USD'000
Trade payables to related parties (Note 28)	7,172	2,155	33,130	22,243
Trade payables to third parties	2,216	8,633	9,227	14,981
	9,388	10,788	42,357	37,224

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

24. OTHER PAYABLES AND ACCRUALS

	31 December			30 June
	2022	2023	2024	2025
	USD'000	USD'000	USD'000	USD'000
Due to employees	620	431	292	3,494
Payables and accruals	2,129	262	15,005	56,374
	2,749	693	15,297	59,868

25. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Currency	Nominal interest rate	Effective interest rate %	Maturity date	31 December 2022	2023	2024	30 June 2025
Halyk Bank of Kazakhstan JSC	USD	6.78%	7.1%	23-Jun-25	-	-	18,003	-
Halyk Bank of Kazakhstan JSC	KZT	16.75%	18.40%	5-Aug-31	-	-	7,566	7,065
Development Bank of Kazakhstan JSC	USD	9%	9%	17-May-30	9,623	10,576	-	-
ForteBank JSC	USD	4.5%	4.7%	7-Dec-23	35,140	-	-	-
Total					44,763	10,576	25,569	7,065
Non-current portion					9,623	8,244	6,467	5,964
Current portion					35,140	2,332	19,102	1,101

Development Bank of Kazakhstan JSC

Under the terms of interest-bearing loans, RGG ensured the fulfilment of financial and non-financial covenants and prematurely repaid the principal debt and interest as of 31 December 2022 and 2023.

Halyk Bank of Kazakhstan JSC

On. 21 May 2024, RGG prematurely repaid its obligations to the Development Bank of Kazakhstan JSC for the principal debt in the amount of USD8,168 thousand and interest in the amount of USD2,201 thousand.

On 5 September 2024, RGG entered into a loan agreement for USD8,168 thousand with Halyk Bank of Kazakhstan JSC to reimburse incurred expenses for repayment of the principal debt on the loan from Development Bank of Kazakhstan JSC.

On 23 December 2024, RGG received a short-term loan of USD30,000 thousand (equivalent to 15,715,800 thousand tenge) from Halyk Bank of Kazakhstan JSC, of which USD12,000 thousand (equivalent to 6,261,720 thousand tenge) was repaid at the end of 2024.

According to the terms of the loan agreement with Halyk Bank of Kazakhstan JSC, RGG is obliged to comply with certain financial and non-financial covenants. Under the terms of the loan agreement, non-compliance with financial covenants may lead to the repayment of this long-term loan on demand. As at 31 December 2022, 2023, 2024 and 30 June 2025, 100% interest in RG Gold LLP and tailings storage facility with a carrying value of USD42,020 thousand are pledged to secure obligations under the credit line agreement with Halyk Bank of Kazakhstan JSC. RGG monitors compliance with covenants under the loan agreement at the end of each of the Relevant Periods.

26. PROVISIONS

During the Relevant Periods, movements of provisions were as follows:

	Site restoration USD'000	Social program commitments USD'000	Total USD'000
As at 1 January 2022	1,728	362	2,090
Incurred during the year (Note 16)	210	-	210
Unwinding of discount (Note 12)	98	21	119
Change in estimates (Note 16)	(208)	(62)	(270)
Net foreign exchange gain	-	22	22
Usage of provision	-	(30)	(30)
Translation reserve	(116)	(24)	(140)
As at 31 December 2022	1,712	289	2,001
Non-current portion	1,712	262	1,974
Current portion	-	27	27
As at 1 January 2023	1,712	289	2,001
Incurred during the year (Note 16)	556	-	556
Unwinding of discount (Note 12)	155	24	179
Change in estimates (Note 16)	854	-	854
Net foreign exchange gain	-	(5)	(5)
Usage of provision	-	(30)	(30)
Translation reserve	37	5	42
As at 31 December 2023	3,314	283	3,597
Non-current portion	3,314	255	3,569
Current portion	-	28	28
Incurred during the year (Note 16)	454	-	454
Unwinding of discount (Note 12)	296	21	317
Change in estimates (Note 16)	(108)	-	(108)
Net foreign exchange gain	-	41	41
Usage of provision	-	(33)	(33)
Translation reserve	(503)	(40)	(543)
As at 31 December 2024	3,453	272	3,725
Non-current portion	3,453	248	3,701
Current portion	-	24	24
Incurred during the period (Note 16)	41	-	41
Unwinding of discount (Note 12)	166	11	177
Change in estimates (Note 16)	84	-	84
Net foreign exchange gain	-	1	1
Usage of provision	-	-	-
Translation reserve	16	-	16
As at 30 June 2025	3,760	284	4,044
Non-current portion	3,760	260	4,020
Current portion	-	24	24

Site Restoration

In accordance with the legislation of the Republic of Kazakhstan on the environment, land pollution allowed by RGG in Burabai District of Akmola region is subject to elimination, and the site is subject to restoration to its original condition after RGG's activities completion.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

26. PROVISIONS (continued)

The estimated total undiscounted cost of dismantling of property, plant and equipment and land restoration after the completion of RGG's operations as at 31 December 2022, 2023, 2024 and 30 June 2025 were USD2,559 thousand, USD5,013 thousand, USD4,935 thousand and USD5,500 thousand, respectively. As at 31 December 2022, 2023, 2024 and 30 June 2025, the discounted amount of provision for land restoration amounted were USD1,712 thousand, USD3,314 thousand, USD3,453 thousand and USD3,760 thousand, respectively.

The amount of this provision was calculated taking into account the risks associated with the amount and dates of origination of land rehabilitation costs based on the known scope of damage. During the Relevant Periods, the management determined the present value of the restoration costs by discounting the estimated restoration cost using the rate of 8.92%, 8.77%, 9.21% and 9.38% respectively, including the estimated inflation rate of 5.34%, 4.75%, 5.38% and 5.71% respectively.

Social program commitments

According to the subsurface use contract, RGG is committed to provide financing of USD30,000 per year for social development up to the expiry of the subsurface use contract in 31 December 2040. As at 31 December 2022, 2023, 2024 and 30 June 2025, a social program commitment were equal to USD289 thousand, USD283 thousand, USD272 thousand and USD284 thousand, respectively. And the present value of costs were calculated by discounting their estimated value at a USD rate of 9.08%, 8.81%, 9.08% and 9.38%, respectively.

27. SHARE CAPITAL

As at 31 December 2022, 2023, 2024 and 30 June 2025, the amount of the declared and fully paid-up share capital was USD12,428 thousand. The share capital was formed through cash contribution. As of 31 December 2022, 2023, 2024 and 30 June 2025, Cantech S.a.r.l is a 100% participant of RGG.

28. RELATED PARTY DISCLOSURES

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions, which unrelated parties might not, and transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

Terms and conditions of transactions with related parties

Related party transactions were made on terms agreed to between the parties that may not necessarily be at market rates, Outstanding balances at 31 December 2022, 2023, 2024 and 30 June 2025 are unsecured, non-interest bearing and settlement occurs in cash, No guarantees were provided with respect to accounts payable of related parties, This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

28. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties (continued)

The nature of the related party relationships for those related parties with whom RGG entered into significant transactions or had significant balances outstanding at 31 December 2022, 2023, 2024 and 30 June 2025 are detailed below.

	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2022		
Loans issued (Note 21)***	252	50,291
Cash and cash equivalents*	-	6,322
Restricted cash*	-	1,838
Other receivables***	-	346
Interest-bearing bank and other borrowings (Note 25)***	-	35,140
Trade payables**	-	7,172
Lease liabilities (Note 15)**	-	489

	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2023		
Loans issued (Note 21) ***	266	7,008
Cash and cash equivalents*	-	199
Restricted cash*	-	2,652
Other receivables***	-	1,314
Trade payables**	-	2,155
Lease liabilities (Note 15)**	-	1,154

28. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties (continued)

	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2024		
Dividends paid***	421	-
Cash and cash equivalents*	-	73
Restricted cash*	-	3,124
Other receivables***	-	2
Trade payables**	-	33,130
Lease liabilities (Note 15)**	-	901

	Parent	Entities under common control of the ultimate controlling party
As at 30 June 2025		
Dividends paid***	424	-
Cash and cash equivalents*	-	40,605
Restricted cash*	-	3,144
Other receivables***	-	40
Trade payables**	-	22,243
Lease liabilities (Note 15)**	-	790

* Cash and cash equivalents and restricted cash were held within ForteBank JSC, the bank under common control of the ultimate controlling party of RGG.

** Trade nature

*** Non-trade nature

As at 31 December 2022, 2023, 2024 and 30 June 2025, entities under common control of the ultimate controlling party are represented by companies that are under control of Mr. B. Utemuratov, the ultimate beneficial owner of RGG.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

28. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties (continued)

	Parent	Entities under common control of the ultimate controlling party
2022		
Purchases of goods and services	-	24,157
Finance income	5	3,090
Finance costs	-	1,421
Other income	-	141

	Parent	Entities under common control of the ultimate controlling party
2023		
Purchases of goods and services	-	123,708
Finance income	5	2,946
Finance costs	-	1,098
Other income	-	372

	Parent	Entities under common control of the ultimate controlling party
2024		
Purchases of goods and services	-	153,996
Finance income	4	4,081
Finance costs	-	152
Other income	545	1,253

	Parent	Entities under common control of the ultimate controlling party
Six months ended 30 June 2025		
Purchases of goods and services	-	91,166
Finance income	-	5,579
Finance costs	-	62
Other income	492	1,130

Purchases of goods and services

Entities under common control of the ultimate controlling party

During the Relevant Periods and the six months ended 30 June 2024, purchases from entities under common control of the ultimate controlling party were mainly represented by ore and coal processing services provided by RG Processing LLP in the amount of USD22,872 thousand, USD121,290 thousand, USD152,636 thousand, USD90,696 thousand and USD71,526 thousand, respectively.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

28. RELATED PARTY DISCLOSURES (continued)

Compensation to the key management personnel

During the Relevant Periods, total compensation to key management personnel included in general and administrative expenses in the statement of profit or loss and other comprehensive income amounts to USD926 thousand, USD1,454 thousand, USD1,413 thousand and USD1,065 thousand, respectively. Compensation to the key personnel includes salaries, bonuses, expenses on vacations and other payments in accordance with the internal provisions of RGG.

29. COMMITMENTS, CONTINGENCIES AND OPERATING RISKS

Operating environment

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

Taxation

Various types of legislation and regulations are not always clearly written, and their interpretation is subject to the opinions of the local tax inspectors and the Ministry of Finance of the Republic of Kazakhstan. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual, including opinions on IFRS interpretations with regard to revenue, expenses and other items of the financial statements.

The current regime of penalties and interest related to reported and discovered violations of Kazakhstan's law, are severe. Penalties are generally 80% of the taxes additionally assessed and interest is assessed at the refinancing rate established by the National Bank of Kazakhstan multiplied by 1.25. As a result, penalties and interest can amount to multiples of any assessed taxes.

RGG believes that it has paid or accrued all taxes that are applicable. Where legislation concerning the provision of taxes is unclear, RGG has accrued tax liabilities based on management's best estimate. RGG's policy is to accrue contingencies in the accounting period in which a loss is deemed probable, and the amount is reasonably determinable. Because of the uncertainties associated with Kazakhstan's tax system, the ultimate amount of taxes, penalties and interest, if any, may be in excess of the amount expensed to date and accrued at 31 December 2022, 2023, 2024 and 30 June 2025.

The resulting effect of this matter is that additional tax liabilities may arise. However, due to the range of uncertainties described above in assessing any potential additional tax liabilities, it is not practicable for the management to estimate the financial effect in terms of the amount of additional tax liabilities, if any, together with any associated penalties and charges for which RGG may be liable.

Use of subsurface and exploration rights

In Kazakhstan, all subsurface reserves belong to the State, with the Ministry of Energy (the "Ministry") granting exploration and production rights to third parties. Subsurface and exploration rights are not granted in perpetuity, and any renewal must be agreed before the expiration of the relevant contract or licence. These rights may be terminated by the Ministry if RGG does not satisfy its contractual obligations.

Work program

As at 31 December 2022, 2023, 2024 and 30 June 2025, RGG fully complies with certain requirements of the working program on mine fields, except for exploration obligations, for which RGG has fulfilled its obligations by 100%.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

29. COMMITMENTS, CONTINGENCIES AND OPERATING RISKS (continued)

Education commitments

According to the subsurface use contract, RGG is committed to provide 1% of the total comprehensive income per year for financing of research and development up to the expiry of the subsurface use contract. As at 31 December 2022, 2023, 2024 and 30 June 2025, RGG's management believes that RGG complied with the substantial commitments for financing of R&D.

According to the requirements of the subsurface use contract RGG is obliged to hire Kazakh personnel and purchase goods, works and services of Kazakh origin in the following percentage:

Personnel:

- Specialists and workers – 100%.

Work and services:

- Not less than 80% of the total cost.

As at 31 December 2022, 2023, 2024 and 30 June 2025, RGG's management believes that RGG complied with Kazakh content commitments.

Liabilities for licenses for exploration for solid minerals and usage of land plots. In accordance with the terms of licenses for the exploration of solid minerals and usage of land plots, RGG is obliged to make the following payments:

- Payment of a signature bonus;
- Payment during the term of the license for the use of land plots in the amount and in the manner established by the tax legislation of the Republic of Kazakhstan;
- Annual minimum cost incurrence for solid mineral exploration.

As at 31 December 2022, 2023, 2024 and 30 June 2025, the Management of RGG believes that RGG fulfilled its significant obligations under licenses for exploration of solid minerals and the use of subsurface space.

Contingent liabilities

RGG assesses the likelihood of material liabilities arising from individual circumstances and makes provision in its financial statements only where it is probable that actual events giving rise to liability will occur and the amount of the liability can be reasonably estimated.

Contractual liabilities

As at 31 December 2022, 2023, 2024 and 30 June 2025, there were no contractual obligations for capital expenditures.

Guarantees

As of 31 December 2022 and 2024 and 30 June 2025, RGG had no guarantee obligations to a related party RG Processing LLP. As of 31 December 2023, in respect of 70% from the total cost of contracts for the supply of spare parts of USD297 thousand from Metso Outotec Kazakhstan LLP. Moreover, RGG and RG Processing LLP are coborrowers under credit lines opened with ForteBank JSC and Development Bank of Kazakhstan JSC, under which they are jointly and severally liable for repayment of loans received. As of 31 December 2022, 2023, 2024 and 30 June 2025, the balance of liabilities of RG Processing LLP to the bank is USD245,555 thousand, USD244,824 thousand, USD205,807 thousand and USD191,701 thousand.

29. COMMITMENTS, CONTINGENCIES AND OPERATING RISKS (continued)

Environmental protection

RGG also may suffer potential losses as a result of claims by regional environmental authorities, which may arise in respect of previous periods of fields development, which are currently mined by RGG. As Kazakhstan's laws and regulations evolve concerning environmental assessments and site restoration, RGG may incur future costs, the amount of which is currently indeterminable due to such factors as the ultimate determination of responsible parties associated with these costs and the Government's assessment of the respective parties' ability to pay for the costs related to environmental reclamation. However, depending on any unfavourable claims or penalties assessed by the Kazakh regulatory agencies it is possible that RGG's future results of operations or cash flow could be materially affected in a particular period.

The management believes it is unlikely that such costs will have a material effect on the financial position of RGG and accordingly no additional provisions for possible environmental claims or penalties are included in the accompanying financial statements.

The management believes that there are no significant liabilities under the current legislation, which are not accrued in RGG's financial statements. The provisions that have been made for costs associated with restoration of sites upon depletion of deposits, are based upon the estimation of RGG's specialists. Where events occur that change the level of estimated future costs for these activities, the provisions will be adjusted accordingly.

Legal claims

In the ordinary course of business, RGG is subject to various legal proceedings and claims. Management believes that the ultimate liability, if any, arising from such proceedings and claims will not have a material adverse effect on RGG's financial position or results of operations.

During the year ended 31 December 2023, RGG continued to pursue claims and litigation work based on the results of the inspection with the Department of Ecology in Akmola region. RGG's management appealed the results of the inspection in court and as a result, the administrative claim of RG Gold limited liability partnership against the republican state institution "Department of Ecology in Akmola region of the Committee for Environmental Regulation and Control of the Ministry of Ecology and Natural Resources of the Republic of Kazakhstan" was satisfied, recognising it as illegal thereby cancelling the instruction to eliminate violations No. 17 dated 11 July 2023.

Since 8 January 2024, the application for cassation review of the judicial act has been under consideration by the Supreme Court of the Republic of Kazakhstan. The decision of the Supreme Court of the Republic of Kazakhstan of 1 October 2024 left the decision of the lower court unchanged. On 11 October 2024, the Burabai District Court issued a ruling to discontinue the case proceedings.

Insurance

The insurance industry in the Republic of Kazakhstan is in a developing stage and many forms of insurance protection common in other parts of the world are not yet generally available. However, RGG has insurance coverage for civil liability to third parties at the level of generally accepted principles in the gold mining industry. Management of RGG believes that, as at 31 December 2022, 2023, 2024 and 30 June 2025, RGG's insurance program complies with the main provisions of the subsurface use contract.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Major financial liabilities of RGG comprise Interest-bearing bank and other borrowings, trade payables, lease liabilities and social program commitments. The main purpose of these financial liabilities is to support RGG's operating activities. RGG's principal financial assets comprise trade receivables, loans issued, cash and cash equivalents, and restricted cash that directly arrive from its operations. During the Relevant Periods, RGG did not undertake trading in financial instruments.

RGG is exposed to market risk, credit risk and liquidity risk.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk includes three types of risks: interest rate risk, currency risk and commodity price risk. Financial instruments exposed to market risk include cash and cash equivalents, restricted cash, loans issued, trade receivables, interest-bearing bank and other borrowing, lease liabilities, social program commitments and trade payables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. RGG is not exposed to risk of changes in market interest rates, since it does not have financial instruments with floating rates.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

RGG is exposed to foreign currency risk while performing sales, purchases, attracting borrowings denominated in the currency other than the functional currency of RGG. The main income of RGG is denominated in USD, whereas the main part of expenses is denominated in tenge, accordingly, the operating profit could be adversely impacted by the increase in the exchange rate of tenge against USD.

RGG has the following types of financial assets and liabilities denominated in foreign currency at the end of each of the Relevant Periods:

	31 December 2022 USD'000 EUR denominated	31 December 2023 USD'000 EUR denominated	31 December 2024 USD'000 EUR denominated	30 June 2025 USD'000 RUB denominated	31 December 2022 USD'000 USD denominated	31 December 2023 USD'000 USD denominated	31 December 2024 USD'000 USD denominated	30 June 2025 USD'000 USD denominated
Cash and cash equivalents (Note 22)	-	-	-	15	5,378	-	-	3,855
Restricted cash	-	-	-	-	1,031	1,160	1,160	1,160
Loans issued (Note 21)	252	266	-	-	50,291	7,008	-	-
Total assets	252	266	-	15	56,700	8,168	1,160	5,015
Interest-bearing bank and other borrowings (Note 25)	-	-	-	-	44,763	10,576	18,003	-
Trade payables (Note 23)	-	-	-	18	15	-	2	60
Social program commitments (Note 26)	-	-	-	-	288	283	272	283
Lease liabilities (Note 15)	-	-	-	-	489	1,154	901	790
Total liabilities	-	-	-	18	45,555	12,013	19,178	1,133
Net amount of financial assets/ (liabilities) in foreign currency	252	266	-	(3)	11,145	(3,845)	(18,018)	3,882

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate of USD of RGG's income before tax (due to changes in the fair value of monetary assets and liabilities), taking into account that all other parameters are held constant:

	Increase/ (decrease) of exchange rate against USD	Effect on profit before tax USD'000
2022	21.00%	6,226
USD	(21.00%)	(6,226)
2023	14.00%	(39)
USD	(14.00%)	39
2024	9.09%	(1,827)
USD	(7.34%)	1,475
30 June 2025	9.09%	278
USD	(7.34%)	(225)

Commodity price risk

RGG is exposed to the effect of fluctuations in the price of gold, which is quoted in USD per ounce on the international markets. RGG prepares annual budgets and periodic forecasts including sensitivity analyses in respect of various levels of gold prices in the future.

RGG's exposure to the risk of changes in gold prices is set out in the following table:

	Gold price changes	Effect on profit before tax USD'000
2022	10%	11,753
	(10%)	(11,753)
2023	10%	36,736
	(10%)	(36,736)
2024	10%	47,250
	(10%)	(47,250)
The six months ended 30 June 2025	10%	33,246
	(10%)	(33,246)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. RGG is exposed to potential credit risk from potential default by the counterparty. Taking into account the specific nature of the business in the Relevant Periods RGG has a significant concentration of credit risk since the main income of RGG is received from the only major counterparty. In accordance with RGG's policy, accounts receivable is monitored on an ongoing basis with the result that RGG's exposure to bad debts is not significant. The maximum exposure to credit risk of RGG is expressed by the carrying amount of each financial asset recognised in the statement of financial position.

RGG trades with recognised, creditworthy counterparties. It is RGG's policy that all counterparties who wish to trade on credit terms are subject to credit verification procedures. In addition, accounts receivable of such customer are monitored on an ongoing basis with the result that RGG's exposure to bad debts is not significant. The maximum exposure to credit risk at the end of each of the Relevant Periods is the carrying value of each class of financial assets described in appropriate notes.

RGG places deposits at Kazakhstani banks. RGG's management reviews credit ratings of these banks periodically to eliminate extraordinary credit risk exposure.

The table below shows the balances of bank deposits and cash on current accounts and long-term deposits with banks at the end of the period using the credit ratings:

	31 December 2022		
	Rating	Cash and cash equivalents* USD'000	Restricted cash USD'000
Development Bank of Kazakhstan JSC	BBB-/Stable	15,253	-
ForteBank JSC	B/ Stable	6,322	1,838
Bank Center Credit JSC	B/ Stable	50	-
Halyk Bank JSC	B/ Stable	50	-
Altyn Bank JSC	Ba1/ Stable	-	-
		21,675	1,838

	31 December 2023		
	Rating	Cash and cash equivalents* USD'000	Restricted cash USD'000
Development Bank of Kazakhstan JSC	Baa2	69,494	-
ForteBank JSC	Ba2	199	2,652
Bank Center Credit JSC	Ba2	-	-
Halyk Bank JSC	Baa2	-	-
		69,693	2,652

	31 December 2024		
	Rating	Cash and cash equivalents* USD'000	Restricted cash USD'000
Halyk Bank JSC	Baa2	6,017	-
ForteBank JSC	Ba2	73	3,124
Bank Center Credit JSC	Ba2	-	-
		6,090	3,124

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The table below shows the balances of bank deposits and cash on current accounts and long-term deposits with banks at the end of the period using the credit ratings: (continued)

	30 June 2025		
	Rating	Cash and cash equivalents* USD'000	Restricted cash USD'000
Halyk Bank JSC	Baa2	101,336	-
ForteBank JSC	Ba2	40,605	3,144
Bank Center Credit JSC	Ba2	-	-
Reserve		(1)	-
		141,940	3,144

* Cash and cash equivalents as of 31 December 2022, 2023,2024 and 30 June 2025 do not comprise cash on hand.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the RGG's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification at the end of each of the Relevant Periods.

The amounts presented are gross carrying amounts for financial assets.

	31 December 2022				
	12-month ECLs	Lifetime ECLs			
	Stage 1 USD'000	Stage 2 USD'000	Stage 3 USD'000	Simplified approach USD'000	Total USD'000
Cash and cash equivalents	21,675	-	-	-	21,675
Restricted cash	1,838	-	-	-	1,838
Loans issued	50,543	-	-	-	50,543
Other receivables*	365	-	-	-	365
	74,421	-	-	-	74,421

	31 December 2023				
	12-month ECLs	Lifetime ECLs			
	Stage 1 USD'000	Stage 2 USD'000	Stage 3 USD'000	Simplified approach USD'000	Total USD'000
Cash and cash equivalents	69,693	-	-	-	69,693
Restricted cash	2,652	-	-	-	2,652
Loans issued	7,274	-	-	-	7,274
Other receivables*	1,382	-	-	-	1,382
	81,001	-	-	-	81,001

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

	31 December 2024				
	12-month ECLs	Lifetime ECLs			
	Stage 1 USD'000	Stage 2 USD'000	Stage 3 USD'000	Simplified approach USD'000	Total USD'000
Cash and cash equivalents	6,090	-	-	-	6,090
Restricted cash	3,124	-	-	-	3,124
Other receivables*	18	-	-	-	18
	9,232	-	-	-	9,232

	30 June 2025				
	12-month ECLs	Lifetime ECLs			
	Stage 1 USD'000	Stage 2 USD'000	Stage 3 USD'000	Simplified approach USD'000	Total USD'000
Cash and cash equivalents	141,940	-	-	-	141,940
Restricted cash	3,144	-	-	-	3,144
Other receivables*	103	-	-	-	103
	145,187	-	-	-	145,187

* For financial assets included in prepayments, other receivables and other assets to which RGG applies the simplified approach for impairment, information based on the provision matrix is disclosed in notes 21 to the financial statements.

Liquidity risk

Liquidity risk is the risk that RGG will be unable to settle all liabilities when they are due. RGG has in place a detailed budgeting and cash forecasting process to help ensure that it has adequate cash available to meet its payment obligations.

The summary of the maturity profile of RGG's financial liabilities as at 31 December 2022, 2023, 2024 and 30 June 2025 based on contractual payments are presented below:

In thousands of USD	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
As at 31 December 2022						
Interest-bearing bank and other borrowings	-	389	35,557	8,951	4,307	49,204
Lease liabilities	-	66	197	538	-	801
Trade payables (Note 23)	-	9,388	-	-	-	9,388
Social program commitments (Note *26*)	-	-	30	150	360	540
	-	9,843	35,784	9,639	4,667	59,933

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The summary of the maturity profile of RGG's financial liabilities as at 31 December 2022, 2023, 2024 and 30 June 2025 based on contractual payments are presented below: (continued)

In thousands of USD	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
As at 31 December 2023						
Interest-bearing bank and other borrowings	-	-	3,268	6,788	3,437	13,493
Lease liabilities	-	91	273	1,183	-	1,547
Trade payables (Note 23)	-	10,788	-	-	-	10,788
Social program commitments (Note 26)	-	-	30	150	330	510
	-	10,879	3,571	8,121	3,767	26,338

In thousands of USD	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
As at 31 December 2024						
Interest-bearing bank and other borrowings	-	-	20,383	4,627	2,156	27,166
Lease liabilities	-	90	270	749	-	1,109
Trade payables (Note 23)	-	42,357	-	-	-	42,357
Social program commitments (Note 26)	-	-	30	150	270	450
	-	42,447	20,683	5,526	2,426	71,082

In thousands of USD	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
As at 30 June 2025						
Interest-bearing bank and other borrowings	-	-	1,120	5,453	2,206	8,779
Lease liabilities	-	79	238	1,033	-	1,350
Trade payables (Note 23)	-	37,224	-	-	-	37,224
Social program commitments (Note 26)	-	-	26	131	288	445
	-	37,303	1,384	6,617	2,494	47,798

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Changes in liabilities arising from financial activities

As at 31 December 2022, 2023, 2024 and 30 June 2025, movements in liabilities arising from financing activities are as follows:

	As at 1 January 2022 USD'000	Cash inflows USD'000	Repayment of the principal USD'000	Interest paid USD'000	Effect from changes in exchange rates USD'000	Finance costs USD'000	Capitalised borrowing costs USD'000	Non-cash transaction USD'000	Translation reserve USD'000	As at 31 December 2022 USD'000
Financial liabilities										
Interest-bearing bank and other borrowings	33,030	35,000	(15,500)	(1,257)	1,352	1,844	309	(8,292)	(1,723)	44,763
Lease liabilities	745	-	(207)	(59)	-	59	-	-	(49)	489
Total liabilities arising from financing activities	33,775	35,000	(15,707)	(1,316)	1,352	1,903	309	(8,292)	(1,772)	45,252

	As at 1 January 2023 USD"000	Cash inflows USD"000	Repayment of the principal USD"000	Interest paid USD"000	Effect from changes in exchange rates USD"000	Finance costs USD"000	Non-cash transactions USD"000	Translation reserve USD"000	As at 31 December 2023 USD"000
Financial liabilities									
Interest-bearing bank and other borrowings	44,763	12,000	(47,000)	(1,092)	(972)	1,729	-	1,148	10,576
Lease liabilities	489	874	(220)	(148)	-	148	-	11	1,154
Total liabilities arising from financing activities	45,252	12,874	(47,220)	(1,240)	(972)	1,877	-	1,159	11,730

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Changes in liabilities arising from financial activities (continued)

As at 31 December 2022, 2023, 2024 and 30 June 2025, movements in liabilities arising from financing activities are as follows: (continued)

	As at 1 January 2024 USD'000	Cash inflows USD'000	Repayment of the principal USD'000	Interest paid USD'000	Withholding tax USD'000	Effect from changes in exchange rates USD'000	Finance costs USD'000	Non-cash transactions USD'000	Translation reserve USD'000	As at 31 December 2024 USD'000
Financial liabilities										
Dividends payable	-	196,785	(167,271)	-	(18,060)	(291)	-	-	(2)	11,165
Interest-bearing bank and other borrowings	10,576	38,168	(20,904)	(2,601)	-	(65)	802	-	(407)	25,569
Lease liabilities	1,154	91	(204)	(152)	-	-	152	(2)	(138)	901
Total liabilities arising from financing activities	11,730	235,044	(188,379)	(2,753)	(18,060)	(356)	954	(2)	(543)	37,635

	As at 1 January 2025 USD'000	Cash inflows USD'000	Repayment of the principal USD'000	Interest paid USD'000	Withholding tax USD'000	Effect from changes in exchange rates USD'000	Finance costs USD'000	Non-cash transactions USD'000	Translation reserve USD'000	As at 30 June 2025 USD'000
Financial liabilities										
Dividends payable	11,165	-	(430)	-	(10,994)	125	-	-	134	-
Interest-bearing bank and other borrowings	25,569	-	(18,244)	(817)	-	(726)	808	-	475	7,065
Lease liabilities	901	-	(116)	(63)	-	-	63	-	5	790
Total liabilities arising from financing activities	37,635	-	(18,790)	(880)	(10,994)	(601)	871	-	614	7,855

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The overriding objectives of RGG's capital management policy are to safeguard and support the business as a going concern through the commodity cycle and to maintain an optimal capital structure with a view to maximising returns to the founder and benefits to other stakeholders by reducing RGG's cost of capital.

RGG monitors equity using a gearing ratio, which is net debt divided by equity plus net debt. RGG includes interest bearing loans and borrowings, trade payable less cash and cash equivalents to net debt.

No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

Fair value of financial instruments

Fair value is defined as the amount at which an instrument could be exchanged in a current transaction between knowledgeable willing parties according to arm's length conditions, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The carrying amount of cash and cash equivalents, restricted cash, trade payables, other payables and accruals, and other financial liabilities approximates their fair value due to the short-term nature of these financial instruments;

- Long-term fixed-rate and variable-rate borrowings are evaluated by RGG based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2022, 2023, 2024 and 30 June 2025, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values;

- The fair value of quoted debentures and bonds is based on the prices at the end of each of the Relevant Periods. The fair value of unquoted instruments, bank loans and other liabilities, finance lease liabilities and other long-term liabilities was estimated by discounting the expected future cash flows at current interest rates with similar conditions, credit risk and remaining maturities.

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Fair value of financial instruments (continued)

Fair value measurement hierarchy

The fair value of loans and borrowings as of 31 December 2022 represents the present value of future cash flows discounted at market interest rates, according to data from the National Bank of Kazakhstan (NBK), at rates of 19.82% for tenge-denominated loans and 6.42% for USD-denominated loans; as of 31 December 2023 at rates of 19.54% for tenge-denominated loans and 7.25% for USD-denominated loans; as of 31 December 2024 at rates of 17.60% for tenge-denominated loans and 7.00% for USD-denominated loans; as of 30 June 2025 at rates of 18.34% for tenge-denominated loans.

The table below discloses the evaluation hierarchy of RGG at the fair value:

	As at 31 December 2022			
	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets measured at fair value				
Trade receivables (Note 20)	-	20,674	-	20,674
Assets for which fair values are disclosed				
Loans issued (Note 21)	-	-	50,543	50,543
Financial liabilities whose fair value is disclosed				
Interest-bearing bank and other borrowings (Note 25)	-	-	41,485	41,485

	As at 31 December 2023			
	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets measured at fair value				
Trade receivables (Note 20)	-	29,888	-	29,888
Assets for which fair values are disclosed				
Loans issued (Note 21)	-	-	7,274	7,274
Financial liabilities whose fair value is disclosed				
Interest-bearing bank and other borrowings (Note 25)	-	-	8,139	8,139

	As at 31 December 2024			
	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets measured at fair value				
Trade receivables (Note 20)	-	51,051	-	51,051
Financial liabilities whose fair value is disclosed				
Interest-bearing bank and other borrowings (Note 25)	-	-	26,062	26,062

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION (continued)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Fair value of financial instruments (continued)

	As at 30 June 2025			
	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000	Total USD'000
Assets measured at fair value				
Trade receivables (Note 20)	-	35,233	-	35,233
Financial liabilities whose fair value is disclosed				
Interest-bearing bank and other borrowings (Note 25)	-	-	7,150	7,150

During the Relevant Periods, there were no transfers between Levels 1, 2 and 3 of the financial instruments' fair value.

31. SUBSEQUENT FINANCIAL STATEMENTS

On 10 July 2025, dividends in the amount of USD97,201 thousand have been declared and fully paid in accordance with the resolution of the sole shareholder of RGG.

No audited financial statements have been prepared by RGG in respect of any period subsequent to 30 June 2025.