RG Gold LLP

Financial statements

For the six months ended 30 June 2025, and
for the years ended 31 December 2024, 2023 and 2022
with independent auditor's report

CONTENTS

«Эрнст энд Янг» ЖШС
Әл-Фараби д-лы, 77/7
«Есентай Тауэр» ғимараты
Алматы қ., A15E3H4
Қазақстан Республикасы
Тел.: +7 727 258 5960
БСН 041140002277
ey.com/kz

ТОО «Эрнст энд Янг»
пр. Аль-Фараби, 77/7
здание «Есентай Тауэр»
г. Алматы, A15E3H4
Республика Казахстан
Тел.: +7 727 258 5960
БИН 041140002277

Ernst & Young LLP
77/7 Al-Farabi ave.
Esentai Tower
Almaty, A15E3H4
Republic of Kazakhstan
Tel.: +7 727 258 5960
BIN 041140002277

Shape the future
with confidence

Independent auditor's report

To the Participant and management of RG Gold LLP

Opinion

We have audited the financial statements of RG Gold LLP (hereinafter, the "Company"), which comprise the statements of financial position as at 30 June 2025, 31 December 2024, 2023 and 2022 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the six months ended 30 June 2025 and years ended 31 December 2024, 2023 and 2022, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2025 and its financial performance and its cash flows for the six months then ended (the financial information) in accordance with IAS 34, *Interim Financial Reporting*.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, 2023 and 2022 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards.

Basis for opinion

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

Other matter

The financial information for the six months ended 30 June 2024 is not audited.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and IAS 34, *Interim Financial Reporting*, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Shape the future
with confidence

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Shape the future
with confidence

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

Ernst & Young LLP

Guldariya Zaripova
Auditor

Rustamzhan Sattarov
General Director
Ernst & Young LLP

Auditor Qualification Certificate
No. МФ-0000414 dated 13 January 2017

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

A15E3H4, Republic of Kazakhstan, Almaty
Al-Farabi ave., 77/7, Esentai Tower

19 September 2025

STATEMENT OF FINANCIAL POSITION

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

In thousands of USD	Notes	31 December 2021	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Assets						
Non-current assets						
Property, plant and equipment	5	28,520	33,975	47,332	55,948	66,152
Right-of-use assets	6	705	448	1,097	809	685
Intangible assets	7	16,037	14,237	15,522	16,739	16,309
Exploration and evaluation assets	8	12,805	13,825	19,998	19,117	20,003
Development assets	9	11,653	12,232	11,813	31,444	48,215
Advances paid for property, plant and equipment and intangible assets	12	1,510	1,155	850	2,388	3,318
Restricted cash	14	1,610	1,838	2,652	3,124	3,144
Inventories, non-current portion	10	10,618	–	5,740	3,175	3,357
Deferred tax assets	26	–	–	–	–	3,097
Total non-current assets		83,458	77,710	105,004	132,744	164,280
Current assets						
Inventories, current portion	10	15,629	54,787	84,907	95,978	97,846
Trade and other accounts receivable	11	1,192	20,972	31,268	51,068	35,335
Other non-financial assets		322	431	679	1,204	956
Income tax prepaid		–	829	–	4,972	–
Advances paid	12	4,164	2,361	1,365	875	417
Loans issued	13	63,674	50,543	7,274	–	–
VAT recoverable		–	–	2,672	–	–
Cash and cash equivalents	14	16,641	21,675	69,693	6,090	141,940
Total current assets		101,622	151,598	197,858	160,187	276,494
Total assets		185,080	229,308	302,862	292,931	440,774
Equity and liabilities						
Equity						
Charter capital	15	12,428	12,428	12,428	12,428	12,428
Translation reserve		(15,878)	(25,611)	(22,210)	(65,388)	(65,991)
Retained earnings		146,186	182,328	283,091	257,771	367,577
Total equity		142,736	169,145	273,309	204,811	314,014
Non-current liabilities						
Loans and borrowings, non-current portion	16	9,490	9,623	8,244	6,467	5,964
Lease liabilities, non-current portion	6	546	264	925	582	614
Provisions, non-current portion	17	2,061	1,974	3,569	3,701	4,020
Deferred tax liabilities	26	890	773	985	271	–
Total non-current liabilities		12,987	12,634	13,723	11,021	10,598

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements,

STATEMENT OF FINANCIAL POSITION (continued)

In thousands of USD	**Notes**	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Current liabilities						
Dividends payable	15	–	**–**	**–**	**421**	**–**
Loans and borrowings, current portion	16	23,540	**35,140**	**2,332**	**19,102**	**1,101**
Lease liabilities, current portion	6	198	**225**	**229**	**319**	**176**
Trade and other accounts payable	18	2,716	**10,229**	**11,437**	**42,684**	**75,670**
Provisions, current portion	17	29	**27**	**28**	**24**	**24**
Corporate income tax payable		1,831	**–**	**1,760**	**–**	**17,769**
VAT payable		850	**1,841**	**–**	**3,526**	**8,179**
Other non-financial liabilities	19	193	**67**	**44**	**11,023**	**13,243**
Total current liabilities		29,357	**47,529**	**15,830**	**77,099**	**116,162**
Total liabilities		42,344	**60,163**	**29,553**	**88,120**	**126,760**
Total equity and liabilities		185,080	**229,308**	**302,862**	**292,931**	**440,774**

Chief Executive Officer *N. Buyandag*

Deputy Chief Executive Officer - Chief Financial Officer *M.T. Shaimardanov*

Chief Accountant *A.D. Zhaxybayeva*

КАЗАКСТАН РЕСПУБЛИКАСЫ АҚМОЛА ОБЛ. БУРАБАЙ АУД. ЩУЧИНСК
ЖАУАПКЕРШІЛІГІ ШЕКТЕУЛІ СЕРІКТЕСТІГІ
«RG Gold»
ТОВАРИЩЕСТВО С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ
РЕСПУБЛИКА КАЗАХСТАН АКМОЛИНСКАЯ ОБЛ. БУРАБАЙСКИЙ Р-Н Г. ЩУЧИНСК

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements,

STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025 and for the years ended 31 December 2024, 2023 and 2022

In thousands of USD	Notes	2021	2022	2023	2024	30 June 2024 (unaudited)	30 June 2025
Revenue from contracts with customers	20	69,187	117,261	367,431	472,499	205,562	338,823
Cost of sales	21	(34,773)	(68,134)	(238,318)	(250,992)	(120,017)	(152,159)
Gross profit		34,414	49,127	129,113	221,507	85,545	186,664
General and administrative expenses	22	(3,281)	(3,343)	(4,638)	(5,525)	(2,851)	(3,589)
Selling expenses		(36)	(69)	(209)	(146)	(79)	(105)
(Expected credit losses)/reversal of impairment on financial assets, net	23	51	(195)	135	(288)	(301)	-
Impairment losses on non-financial assets	23	(288)	(335)	-	-	-	-
Other operating income		280	316	1,358	1,983	677	663
Other operating expenses	24	(291)	(964)	(708)	(7,661)	(3,314)	(41,272)
Operating profit		30,849	44,537	125,051	209,870	79,677	142,361
Finance income	25	2,174	3,097	2,953	7,262	1,369	5,675
Finance costs	25	(711)	(2,022)	(2,056)	(1,271)	(457)	(1,048)
Foreign exchange (loss) / gain, net		(30)	(551)	926	(2,976)	(3,429)	(934)
Profit before tax		32,282	45,061	126,874	212,885	77,160	146,054
Income tax expense	26	(6,844)	(8,919)	(26,111)	(41,420)	(14,029)	(36,248)
Profit for the year after tax		25,438	36,142	100,763	171,465	63,131	109,806
Other comprehensive income/(loss)							
Other comprehensive (loss)/ income not to be reclassified to profit or loss in subsequent periods							
Exchange differences on translation into presentation currency		(3,394)	(9,733)	3,401	(43,178)	(12,690)	(603)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax		(3,394)	(9,733)	3,401	(43,178)	(12,690)	(603)
Other comprehensive income/(loss), net of tax		(3,394)	(9,733)	3,401	(43,178)	(12,690)	(603)
Total comprehensive income for the year		22,044	26,409	104,164	128,287	50,441	109,203

Chief Executive Officer — *D. Bulitendag*

Deputy Chief Executive Officer - Chief Financial Officer — *M.T. Shaimardanov*

Chief Accountant — *D. Zhaxybayeva*

ҚАЗАҚСТАН РЕСПУБЛИКАСЫ БУРАБАЙ АУД. ШУЧИНСК
ЖАУАПКЕРШІЛІГІ ШЕКТЕУЛІ СЕРІКТЕСТІГІ
«RG Gold»
ТОВАРИЩЕСТВО С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ
БУРАБАЙСКИЙ Р-Н Г. ЩУЧИНСК
РЕСПУБЛИКА КАЗАХСТАН АКМОЛИНСКАЯ ОБЛ.

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025 and for the years ended 31 December 2024, 2023 and 2022

In thousands of USD	Notes	Charter capital	Retained earnings	Foreign currency translation reserve	Total
As at 1 January 2021		12,428	120,748	(12,484)	120,692
Profit for the year		-	25,438	-	25,438
Translation reserve		-	-	(3,394)	(3,394)
Total comprehensive income for the year		-	25,438	(3,394)	22,044
As at 31 December 2021		12,428	146,186	(15,878)	142,736
Profit for the year		-	**36,142**	-	**36,142**
Translation reserve		-	-	**(9,733)**	**(9,733)**
Total comprehensive income for the year		-	**36,142**	**(9,733)**	**26,409**
As at 31 December 2022		**12,428**	**182,328**	**(25,611)**	**169,145**
Profit for the year		-	**100,763**	-	**100,763**
Translation reserve		-	-	**3,401**	**3,401**
Total comprehensive income for the year		-	**100,763**	**3,401**	**104,164**
As at 31 December 2023		**12,428**	**283,091**	**(22,210)**	**273,309**
Profit for the year		-	**171,465**	-	**171,465**
Translation reserve		-	-	**(43,178)**	**(43,178)**
Total comprehensive income for the year		-	**171,465**	**(43,178)**	**128,287**
Dividends declared	15	-	**(196,785)**	-	**(196,785)**
As at 31 December 2024		**12,428**	**257,771**	**(65,388)**	**204,811**
Profit for the period		-	**109,806**	-	**109,806**
Translation reserve		-	-	**(603)**	**(603)**
Total comprehensive income for the period		-	**109,806**	**(603)**	**109,203**
As at 30 June 2025		**12,428**	**367,577**	**(65,991)**	**314,014**

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements

STATEMENT OF CHANGES IN EQUITY (continued)

Six months ended 30 June 2024

In thousands of USD	Charter capital	Retained earnings	Foreign currency translation reserve	Total
As at 1 January 2024	12,428	283,091	(22,210)	273,309
Profit for the period	–	63,131	–	63,131
Translation reserve	–	–	(12,690)	(12,690)
Total comprehensive income for the period	–	63,131	(12,690)	50,441
As at 30 June 2024	12,428	346,222	(34,900)	323,750

Chief Executive Officer — *Buitendag*

Deputy Chief Executive Officer - Chief Financial Officer — *T. Shaimardanov*

Chief Accountant — *A.D. Zhaxybayeva*

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements

STATEMENT OF CASH FLOWS

For the 6 months ended 30 June 2025 and for the years ended 31 December 2024 and 2023

In thousands of USD	Notes	2021	2022	2023	2024	Six months ended 2024 (unaudited)	Six months ended 2025
Cash flows from operating activities							
Cash inflows							
Sale of goods		78,855	110,749	395,315	483,173	230,786	389,081
Rendering of services		149	590	1,031	2,658	1,535	481
Other income		–	–	–	–	–	–
Total cash flows from operating activities		79,004	111,339	396,346	485,831	232,321	389,562
Cash outflows							
Payments to suppliers for goods and services		(27,600)	(72,574)	(233,049)	(212,854)	(118,545)	(147,846)
Salary payments		(10,358)	(10,399)	(13,724)	(15,382)	(7,783)	(8,923)
Income tax payments		(6,005)	(11,489)	(22,987)	(48,199)	(13,715)	(15,173)
Other taxes paid		(8,274)	(17,236)	(57,910)	(51,395)	(8,679)	(22,996)
Payments of interest	29	(561)	(1,316)	(1,240)	(2,753)	(2,302)	(880)
Other payments		(15)	(43)	(516)	(43)	(12)	(18)
Total cash flows used in operating activities		(52,813)	(113,057)	(329,426)	(330,626)	(151,036)	(195,836)
Net cash flows from/(used in) operating activities		26,191	(1,718)	66,920	155,205	81,285	193,726
Cash flows from investing activities							
Cash inflows							
Proceeds from sale of property, plant and equipment		63	–	–	72	75	–
Return of loans issued to related parties	13	–	4,126	63,825	113,398	29,364	–
Interest received		100	–	7,158	6,209	1,154	4,814
Total cash flows from investing activities		163	4,126	70,983	119,679	30,593	4,814
Cash outflows							
Purchase of property, plant and equipment		(19,821)	(10,566)	(20,979)	(17,989)	(7,608)	(12,099)
Purchase of intangible assets		(472)	(436)	(1,133)	(2,009)	(555)	(1,331)
Acquisition of exploration and evaluation assets		(6,539)	(2,364)	(5,278)	(7,755)	(1,232)	(789)
Purchase of development assets		(3,987)	(2,162)	(1,790)	(24,658)	(7,760)	(16,535)
Loans issued to related parties	13	(44,645)	–	(25,301)	(106,357)	(107,225)	–
Contributions to a liquidation fund		(1,133)	(261)	(810)	(746)	–	(8)
Other payments	17	(30)	(30)	(30)	(33)	–	–
Total cash outflows		(76,627)	(15,819)	(55,321)	(159,547)	(124,380)	(30,762)
Net cash flows from/(used in) investing activities		(76,464)	(11,693)	15,662	(39,868)	(93,787)	(25,948)

The accounting policies and explanatory notes on pages 8 to 58 are an integral part of these financial statements

STATEMENT OF CASH FLOWS (continued)

In thousands of USD	**Notes**	2021	**2022**	**2023**	**2024**	**6 months ended 30 June 2024 (unaudited)**	**6 months ended 30 June 2025**
Cash flows from financing activities							
Cash inflows							
Loans and borrowings received	29	45,749	**35,000**	**12,000**	**38,168**	**–**	**–**
Total cash inflows		45,749	**35,000**	**12,000**	**38,168**	**–**	**–**
Cash outflows							
Dividend payments	15	–	**–**	**–**	**(167,271)**	**–**	**(430)**
Repayments of loans and borrowings	29	(13,624)	**(15,500)**	**(47,000)**	**(20,904)**	**(8,797)**	**(18,244)**
Payment of principal portion of lease liabilities	6	(202)	**(207)**	**(220)**	**(204)**	**(98)**	**(116)**
Withholding tax	15	–	**–**	**–**	**(18,060)**	**–**	**(10,994)**
Total cash outflows		(13,826)	**(15,707)**	**(47,220)**	**(206,439)**	**(8,895)**	**(29,784)**
Net cash flows (from)/used in financing activities		31,923	**19,293**	**(35,220)**	**(168,271)**	**(8,895)**	**(29,784)**
Effect of exchange rates changes on cash and cash equivalents		(578)	**(848)**	**656**	**(10,669)**	**254**	**(2,144)**
Expected credit losses on cash and cash		1	**–**	**–**	**–**	**–**	**–**
Net change in cash and cash equivalents		(18,927)	**5,034**	**48,018**	**(63,603)**	**(21,143)**	**135,850**
Cash and cash equivalents as at 1 January		35,568	**16,641**	**21,675**	**69,693**	**69,693**	**6,090**
Cash and cash equivalents as at 31 December/30 June	14	16,641	**21,675**	**69,693**	**6,090**	**48,550**	**141,940**

Chief Executive Officer ______________ *J. Buitendag*

Deputy Chief Executive Officer - Chief Financial Officer ______________ *M.T. Shaimardanov*

Chief Accountant ______________ *A.D. Zhaxybayeva*

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

The Company 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, the Company was renamed into RG Gold LLP.

As at 30 June 2025, 31 December 2024, 2023 and 2022 the Company 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,à,r,l, (35%). The Company's ultimate beneficiaries are the members of the family of Mr. B. Utemuratov, resident of republic of Kazakhstan.

Legal address of the Company is 80 Mukhtar Auezov Str., Shchuchinsk, Akmola region, Republic of Kazakhstan, 021700.

These financial statements were approved for issue by the Chief Executive Officer, Chief Financial Officer and the Chief Accountant of the Company on 19 September 2025.

Principal activities of the Company

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

On 30 December 2022, the Company 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, the Company 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, the Company is required to submit further material for consideration by the Working Group within one year. As at the date of the Financial Statements, the license has not been renewed.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. GENERAL (continued)

Principal activities of the Company (continued)

The Company 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.

The Company 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.

2. BASIS OF PREPARATION

The financial statements for six months ended 30 June 2025 have been prepared in accordance with accordance with IAS 34, *Interim financial reporting.*

These financial statements for the years ended 31 December 2022, 2023 and 2024 have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB).

These financial statements have been prepared on a historical cost basis, except as described in the accounting policies and the notes to these financial statements, The financial statements are presented in USD (hereinafter, "USD") and all amounts are rounded to the nearest thousands, except when otherwise indicated.

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").

The Company selected US dollars as presentation currency for the purposes of these financial statements. These financial statements are issued in addition to the financial statements of the Company for 2024, 2023 and 2022 presented in tenge. The financial statements of the Company prepared in tenge are translated to US dollars 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 reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of 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.

The currency exchange rates of KASE as at 31 December 2021, 2022, 2023, 2024 and 30 June 2025 were 431.67, 462.65, 454.56, 523.54 and 520.39 to 1 US dollar accordingly. These rates were used for translation of monetary assets and liabilities denominated in US dollars as at 31 December 2021, 2022, 2023, 2024 and 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

Foreign currency translation (continued)

Foreign exchange rate (continued)

The weighted average rate for the six months ended 30 June 2025 was 511.64 to 1 US dollar accordingly.

The weighted average rate for the years ended 31 December 2021, 2022, 2023 and 2024 were 426.03, 460.48, 456.31 and 469.44 to 1 US dollar accordingly.

Going concern

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

New standards, interpretations, and amendments thereof

The Company applied for the first-time certain standards and amendments, which are effective for annual reporting periods beginning on or after January 1, 2025 (unless otherwise indicated). The Company has not early adopted any standards, interpretation or amendments that has been issued but are not yet effective.

Some amendments are applied for the first time in 2025. The nature and the impact of each new standard and amendment are described below:

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Company's financial statements.

Standards issued but not yet effective

The following new standards, amendments and interpretations are issued, but not yet effective, up to the date of issuance of the Company's financial statements. The Company intends to adopt these standards, amendments and interpretations, if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Standards issued but not yet effective (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosure

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 becomes effective for reporting periods beginning on or after 1 January 2027. Early application is permitted. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7

These amendments become effective for annual reporting periods beginning on or after 1 January 2026.

In December, the International Accounting Standards Board (IASB) issued 'Contracts Referencing Nature-dependent Electricity: Amendments to IFRS 9 and IFRS 7'. Amendments:

- Clarify the application of the own use requirements;
- Allow for hedge accounting if these contracts are used as hedging instruments;
- Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted, and that fact must be disclosed.

The clarifications related to the application of the own use exemption requirements must be applied retrospectively, while the guidance that allows for hedge accounting should be applied prospectively to new hedging relationships designated on or after the initial application date. The Company is currently working to adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met;
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features;
- Clarifies the treatment of non-recourse assets and contractually linked instruments;
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. The Company is currently working to adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later.

Hedge Accounting by a First-time Adopter – Amendmends to IFRS 1 First-time Adoption of International Financial Reporting Standards

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11:

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Standards issued but not yet effective (continued)

Hedge Accounting by a First-time Adopter – Amendmends to IFRS 1 First-time Adoption of International Financial Reporting Standards (continued)

Paragraphs B5 and B6 of IFRS 1 have been amended to include cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of IFRS 9. These amendments are intended to address potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9.

The Company applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Gain or Loss on Derecognition – Amendmends to IFRS 7 Financial Instruments: Disclosures

The amendments update the language on unobservable inputs in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurement.

The Company applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Amendmends to Guidance on implementing IFRS 7 Financial Instruments: Disclosures

The amendments to paragraph IG1 of the Guidance on implementing IFRS 7 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does it create additional requirements.

Paragraph IG20B of the Guidance on implementing IFRS 7 has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

Disclosure of Deferred Difference between Fair Value and Transaction Price – Amendmends to Guidance on implementing IFRS 7 Financial Instruments: Disclosures

Paragraph IG14 of the Guidance on implementing IFRS 7 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13.

Lessee Derecognition of Lease Liabilities – Amendmends to IFRS 9 Financial Instruments

Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit or loss. However, the amendment does not address how a lessee distinguishes between a lease modification as defined in IFRS 16 and an extinguishment of a lease liability in accordance with IFRS 9.

The Company applies the amendments for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Fair value measurement

The Company measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each balance sheet date.

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 the Company.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Fair value measurement (continued)

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.

The Company 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 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – 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, the Company 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 reporting period.

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 29*.

Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and/or accumulated impairment. 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, the Company 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 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 live. :

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 comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Property, plant and equipment (continued)

Construction in progress

Capital construction in progress comprises costs directly related to field development, construction of buildings, infrastructure, machinery and equipment. 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.

Exploration and evaluation assets

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.

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 value 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.

Development assets

Mine development costs arise in obtaining access to proven reserves or mineral-bearing ore deposits and to provide facilities for extracting, lifting, and storing minerals. Development expenditures are the costs incurred during preparation of proven reserves for production, in particular, costs to obtain physical access to discovered gold, construction, installation and completion of infrastructure facilities, such as platforms, pipelines promoting extraction, collection and storage of produced resources at production locations. Development expenditures, in particular, include the following:

- The costs for construction of above-ground technological facilities necessary for the extraction, collection and processing of gold ore;
- Other costs incurred during set up of commercial production at the field;
- Other capitalised costs.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Development assets (continued)

Such costs are, upon commencement of production, amortised using a unit of production method. Mine stripping costs incurred in order to access the ore deposit are capitalised prior to the commencement of production. Such costs are amortised over the remaining life of the mine on a unit of production method.

The cost of removal of the waste material during a mine production phase is capitalised if the stripping activity permits an increase in the output of the mine in future periods through providing access to additional reserves.

The capitalised stripping costs are amortised prorated to production output over the period of useful life of such section of ore body, access to which has been eased as a result of these stripping works.

Provisions

Provisions are recognised when the Company 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 the Company 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 comprehensive income net of any reimbursement.

Site restoration

The Company assesses site restoration costs based on the estimates of the Company'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 comprehensive income.

The management reviews total site restoration costs at the end of each reporting 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, the Company is classified as an object that has a significant negative impact on the environment (objects of the 1st category).

Management believes that the Company does not have significant obligations under applicable law that are not reflected in the Company's financial statements. Estimated liabilities formed on the cost of restoring sites after depletion of reserves are based on the assessment of the Company'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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Lease

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

Company as a lessee

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

i) Right-of-use assets

The Company 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 any accumulated depreciation and 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. 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 the Company 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.*

ii) Lease liabilities

At the commencement date of the lease, the Company 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 the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. 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, the Company 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.

iii) Short-term leases and leases of low-value assets

The Company 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 the lease of low-value assets recognition exemption 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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Impairment of non-financial assets

The Company assesses at each reporting date 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, the Company 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. 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.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company'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.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of comprehensive income.

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 (OCI), 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 the Company'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 the Company has applied the practical expedient, the Company 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 and other accounts receivable that do not contain a significant financing component or for which the Company 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

Financial assets (continued)

Initial recognition and measurement (continued)

The Company'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.

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 the Company commits to purchase or sell the asset.

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 the Company.

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.

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

When the Company 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, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company 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 the Company could be required to repay.

Impairment of financial assets

The Company 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 the Company 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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).

For trade and other accounts receivable the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company used a provision matrix based on its historical credit loss experience.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. 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.

The Company's financial liabilities include trade and other accounts payable, loans and borrowings and lease liabilities.

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 the Company.

Loans and borrowings

After initial recognition, interest-bearing loans and 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 comprehensive income.

This category mainly includes interest-bearing loans and borrowings, more details are provided in *Note 16*.

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 in the respective carrying amounts is recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments – initial recognition and subsequent measurement (continued)

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.

Intangible assets

Intangible assets, which are acquired by the Company, and 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 the Company 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 current 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 production method. The amount of amortisation for the period is calculated based on the volume of extracted ore in tons during the reporting period.

Other intangible assets represent software and licenses and are recorded at cost less accumulated amortisation.

Other intangible assets are amortised using the straight-line method over the estimated period of their useful life, comprising 3 to 7 years.

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

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 3 (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 reporting date are included in cash restricted in use.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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 one 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 the Company obtains control over these assets and there is a probability that future economic benefits associated with these assets will flow to the Company. 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 comprehensive income.

Revenue from contracts with customers

The Company'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 the Company expects to be entitled in exchange for those goods or services. The Company 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) the Company 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 the Company expects to receive in exchange for those goods or services, net of related sales taxes (VAT).

Under contracts with customers for the sale of Dore gold, product prices are determined in advance and are not set until the final price based on the market price for a certain period is known. Revenue from sales in such cases is initially recognised on the basis of the relevant metal indices. An adjustment to such contracts between the final and preliminary price is recognised as *Fair value gains on provisionally priced trade accounts receivables* within Revenue from contracts with customers *(Note 20).*

Contract balances

Trade and other accounts receivable

Trade and other accounts receivable are recognized 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 recognized, if a customer pays consideration before the Company transfers goods or services to the customer (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract (i.e. transfers control of the related goods or services to a customer).

Interest income

Interest income is recognized 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 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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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 reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of 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.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences at the balance sheet date 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 each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date 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 year 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 reporting date.

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 the Company, 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 (twelve) months after the reporting date, such VAT recoverable is transferred to non-current assets. When unrecoverable, VAT recoverable is charged to expenses in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Dividends

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

Events after the reporting period

The results of post-year-end events that provide evidence of conditions that existed at the reporting date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company'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 the Company's exposure to risks and uncertainties are presented in the following notes:

- Financial instruments and objectives and principles of financial risk management – *Note 29.*

Judgements

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

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

The Company 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.

The Company has an office lease agreement that includes extension option. The Company 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, the Company has concluded that the option to renew the lease will not be taken into account when determining the lease term.

Determination of the lease component of the purchase agreement for the purchase of primary ore processing services

On 29 September 2022, the Company entered into a long-term primary ore processing services purchase agreement with RG Processing LLP on the gold recovery plant ("CIP plant"). Under this agreement, the Company is entitled to substantially all of the economic benefits of the CIP plant for a period of use defined as the 5-year term of the agreement. The Company reserves the entire CIP plant's production capacity of 5 million tonnes of ore per annum. The purchase agreement provides for a base tariff in the amount of 13,092 USD for each tonne of ore processed at the CIP plant, which is indexed to the USD to dollar exchange rate at the date of payment.

Therefore, management of the Company has determined that the purchase agreement for the purchase of primary ore processing services contains a lease component under IFRS 16. The contractual payments are variable depending on the volume of ore processed. The contract does not provide for penalties to the Company for under-delivery of ore to the mill and there are no minimum volumes of ore to be delivered by the Company. Accordingly, the Company's management has not been able to measure the lease liability (and therefore the right-of-use asset) reliably and reliably.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below, Assumptions and estimates are based on the Company'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 the Company, Such changes are reflected in the assumptions while they occur.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and assumptions (continued)

Leases – Estimating the incremental borrowing rate

The Company 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 the Company 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 the Company '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. The Company 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). The Company determined incremental borrowing rate at 16%.

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 the Company'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 the Company'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 the Company'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 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Estimates and assumptions (continued)

Impairment of non-financial assets

Impairment exists when the carrying value 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 calculation is 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 the Company 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.

The Company assesses at each reporting date 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, the Company estimates the asset's recoverable amount.

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

Based on the analysis performed, the Company's Management did not identify any impairment indicators for non-financial assets at the cash-generating unit level as at 30 June 2025.

Provision for expected credit losses of trade and other accounts receivable

The Company uses a provision matrix to calculate ECLs for trade and other accounts receivable. 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 the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated.

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

Site restoration provisions

The Company 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 each reporting date and adjusted to reflect the best estimate. Estimating the future costs involves significant estimates and judgments by management.

The long-term inflation and discount rates used in the calculation of the obligations in the statement of financial position as at 30 June 2025 were 5.71% and 9.38%, respectively (as at 31 December 2024 were 5.38% and 9.21%, respectively; as at 31 December 2023 were 4.75% and 8.77%, respectively; as at 31 December 2022 were 5.34% and 8.92%, respectively) *(Note 17)*. In accordance with the site restoration plan, field restoration activities are planned for the period from 2030 to 2040.

Impairment of inventories

At the end of the year, the Company is testing the carrying amount of inventories for recoverability. For these purposes, the Company carries out a comprehensive assessment of inventories to be written off to their net realizable 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Taxation

In assessing tax risks, management considers the likelihood of a liability arising in areas of tax positions for which it is known that the Company 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. The Company's tax liabilities and tax contingencies are disclosed in *Note 26.*

5. PROPERTY, PLANT AND EQUIPMENT

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

In thousands of USD	Buildings and constructions	Machinery and equipment	Other property, plant and equipment	Construction in progress	Total
Initial Cost					
As at 1 January 2021	4,688	9,142	1,126	4,597	19,553
Additions	36	547	105	17,938	18,626
Disposals	–	(244)	(25)	(4)	(273)
Internal transfers	776	1,285	64	(2,125)	-
Transfer to development assets	–	–	–	(206)	(206)
Translation reserve	(129)	(253)	(31)	(321)	(734)
As at 31 December 2021	5,371	10,477	1,239	19,879	36,966
Additions	**35**	**2,024**	**191**	**7,877**	**10,127**
Disposals	**(3)**	**(66)**	**(43)**	**(168)**	**(280)**
Internal transfers	**25,695**	**70**	**1**	**(25,766)**	**–**
Translation reserve	**(480)**	**(711)**	**(84)**	**(1,246)**	**(2,521)**
As at 31 December 2022	**30,618**	**11,794**	**1,304**	**576**	**44,292**
Additions	**23**	**3,306**	**195**	**13,502**	**17,026**
Disposals	**(18)**	**(110)**	**(28)**	**(2)**	**(158)**
Internal transfers	**113**	**201**	**–**	**(314)**	**–**
Translation reserve	**545**	**224**	**23**	**61**	**853**
As at 31 December 2023	**31,281**	**15,415**	**1,494**	**13,823**	**62,013**
Additions	**35**	**1,499**	**389**	**19,545**	**21,468**
Disposals	**–**	**(228)**	**(37)**	**(210)**	**(475)**
Internal transfers	**28,504**	**308**	**14**	**(28,826)**	**–**
Translation reserve	**(7,070)**	**(2,195)**	**(234)**	**(840)**	**(10,339)**
As at 31 December 2024	**52,750**	**14,799**	**1,626**	**3,492**	**72,667**
Additions	**352**	**2,522**	**297**	**9,815**	**12,986**
Disposals	**–**	**(70)**	**(16)**	**(2)**	**(88)**
Internal transfers	**331**	**86**	**–**	**(417)**	**–**
Translation reserve	**307**	**47**	**6**	**(136)**	**224**
As at 30 June 2025	**53,740**	**17,384**	**1,913**	**12,752**	**85,789**

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

In thousands of USD	Buildings and constructions	Machinery and equipment	Other property, plant and equipment	Construction in progress	Total
Accumulated depreciation					
As at 1 January 2021	(1,849)	(4,087)	(749)	–	(6,685)
Charge for the year	(512)	(1,249)	(130)	–	(1,891)
Disposals	–	199	23	–	222
Impairments	–	–	–	(288)	(288)
Translation reserve	54	118	20	4	196
As at 31 December 2021	(2,307)	(5,019)	(836)	(284)	(8,446)
Charge for the year	(954)	(1,352)	(155)	–	(2,461)
Impairments	–	–	–	(82)	(82)
Disposals	3	61	33	–	97
Translation reserve	159	341	56	19	575
As at 31 December 2022	(3,099)	(5,969)	(902)	(347)	(10,317)
Charge for the year	(2,298)	(1,778)	(210)	–	(4,286)
Disposals	12	88	22	–	122
Translation reserve	(65)	(113)	(16)	(6)	(200)
As at 31 December 2023	(5,450)	(7,772)	(1,106)	(353)	(14,681)
Charge for the year	(2,574)	(1,854)	(230)	–	(4,658)
Disposals	–	197	32	–	229
Translation reserve	983	1,196	166	46	2,391
As at 31 December 2024	(7,041)	(8,233)	(1,138)	(307)	(16,719)
Charge for the period	(1,987)	(850)	(111)	–	(2,948)
Disposals	–	69	10	–	79
Translation reserve	(8)	(37)	(2)	(2)	(49)
As at 30 June 2025	(9,036)	(9,051)	(1,241)	(309)	(19,637)
Carrying value					
As at 31 December 2021	3,064	5,458	403	19,595	28,520
As at 31 December 2022	27,519	5,825	402	229	33,975
As at 31 December 2023	25,831	7,643	388	13,470	47,332
As at 31 December 2024	45,709	6,566	488	3,185	55,948
As at 30 June 2025	44,704	8,333	672	12,443	66,152
Initial Cost					
As at 31 December 2023	31,281	15,415	1,494	13,823	62,013
Additions	36	1,018	215	6,288	7,557
Disposals	–	(139)	(28)	(218)	(385)
Internal transfers	26	105	–	(131)	–
Translation reserve	(1,124)	(600)	(62)	(779)	(2,565)
As at 30 June 2024	30,219	15,799	1,619	18,983	66,620
Accumulated depreciation					
As at 31 December 2023	(5,450)	(7,772)	(1,106)	(353)	(14,681)
Charge for the year	(2,576)	(1,856)	(231)	–	(4,663)
Disposals	–	197	32	–	229
Translation reserve	986	1,198	166	46	2,396
As at 30 June 2024	(7,040)	(8,233)	(1,139)	(307)	(16,719)

5. PROPERTY, PLANT AND EQUIPMENT (continued)

In 2023, the company moved to the second stage of construction of a tailings storage facility with a capacity of 80 million m^3. In 2024, the tailings storage facility with increased capacity till 30 million m^3 was commissioned. The tailings storage facility expansion project was made at the expense of own and borrowed funds.

During 2022, the Company capitalized borrowing costs for 290 thousand USD to the carrying amount of property, plant and equipment, related to construction of a 8 million m3 tailings storage facility with an interest rate of 9% (2021: 344 thousand USD). For the year ended 31 December 2023, the Company did not capitalize borrowing costs due to the commissioning of the tailings storage facility in September 2022.

As of 30 June 2025, the gross carrying value of property and equipment which has been fully depreciated and still in use was 5,071 thousand USD (2024: 4,093 thousand USD, 2023: 2,858 thousand USD, 2022: 2,164 thousand USD, 2021: 1,055 thousand USD).

As at 30 June 2025, the carrying amount of property, plant and equipment pledged as collateral under the loans received was 42,020 thousand USD (as at 31 December 2024: 442 thousand USD) (*Note 16*).

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below is the carrying amount of right-of-use assets and the movements during the year:

In thousands of USD	**Buildings and constructions**	**Total**
Initial cost		
As at 1 January 2021	1,156	1,156
Additions	–	–
Translation reserve	(29)	(29)
As at 31 December 2021	1,127	1,127
Additions	–	–
Translation reserve	(75)	(75)
As at 31 December 2022	**1,052**	**1,052**
Modification	**880**	**880**
Translation reserve	**22**	**22**
As at 31 December 2023	**1,954**	**1,954**
Exchange rate differences	**93**	**93**
Translation reserve	**(268)**	**(268)**
As at 31 December 2024	**1,779**	**1,779**
Exchange rate differences	**–**	**–**
Translation reserve	**–**	**–**
As at 30 June 2025	**1,779**	**1,779**

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

In thousands of USD	Buildings and constructions	Total
Accumulated depreciation	–	–
As at 1 January 2021	(201)	(201)
Depreciation charge	(228)	(228)
Translation reserve	7	7
As at 31 December 2021	(422)	(422)
Depreciation charge	(211)	(211)
Translation reserve	29	29
As at 31 December 2022	**(604)**	**(604)**
Depreciation charge	**(241)**	**(241)**
Translation reserve	**(12)**	**(12)**
As at 31 December 2023	**(857)**	**(857)**
Depreciation charge	**(253)**	**(253)**
Translation reserve	**140**	**140**
As at 31 December 2024	**(970)**	**(970)**
Depreciation charge	**(132)**	**(132)**
Translation reserve	**8**	**8**
As at 30 June 2025	**(1,094)**	**(1,094)**
As at 31 December 2021	**705**	**705**
As at 31 December 2022	**448**	**448**
As at 31 December 2023	**1,097**	**1,097**
As at 31 December 2024	**809**	**809**
As at 30 June 2025	**685**	**685**

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

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

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

In thousands of USD	2021	**2022**	**2023**	**2024**	**30 June 2025**
At the beginning of the period	969	**745**	**489**	**1,154**	**901**
Modification due to exchange rate		**–**	**874**	**91**	**(1)**
Interest expense *(Note 25)*	85	**59**	**148**	**152**	**63**
Repayment of interest	(85)	**(59)**	**(148)**	**(152)**	**(63)**
Repayment of principal	(202)	**(207)**	**(220)**	**(204)**	**(116)**
Translation reserve	(22)	**(49)**	**11**	**(140)**	**6**
At the end of the period	745	**489**	**1,154**	**901**	**790**

Set out below are the carrying amounts of non-current and current lease liabilities:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Lease liabilities, non-current portion	546	**264**	**925**	**582**	**614**
Lease liabilities, current portion	198	**225**	**229**	**319**	**176**

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)

The following are the amounts recognised in profit or loss:

In thousands of USD	2021	**2022**	**2023**	**2024**	**30 June 2025**
Depreciation expense of right-of-use assets	228	**210**	**257**	**227**	**130**
Interest expense on lease liabilities *(Note 25)*	85	**59**	**148**	**152**	**63**
Expense relating to short-term leases and variable lease payments	51	**10**	**3**	**2**	**2**
	364	**279**	**408**	**381**	**195**

The Company had total cash outflows for leases of 179 thousand USD in 2025, including cash outflow of 2 thousand USD related to short-term leases and variable lease payments (2024: 356 thousand USD and 2 thousand USD, accordingly).

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INTANGIBLE ASSETS

Movements of property, plant and equipment during periods below were as follows:

In thousands of USD	Subsurface use right and social program	Exploration and evaluation assets and mining assets	Temporary land-use right	Other	Total
Cost					
As at 1 January 2021	3,591	11,811	2,576	670	18,648
Additions	–	39	240	37	316
Change in estimates *(Note 17)*	(150)	100	–	–	(50)
Disposals	–	–	(2)	–	(2)
Translation reserve	(88)	(302)	(69)	(18)	(477)
As at 31 December 2021	3,353	11,648	2,745	689	18,435
Additions	–	**210**	**74**	**18**	**302**
Change in estimates *(Note 17)*	**(62)**	**(208)**	–	–	**(270)**
Disposals	–	–	**(13)**	–	**(13)**
Translation reserve	**(225)**	**(780)**	**(183)**	**(46)**	**(1,234)**
As at 31 December 2022	**3,066**	**10,870**	**2,623**	**661**	**17,220**
Additions	–	**556**	**77**	**1,276**	**1,909**
Change in estimates *(Note 17)*	–	**854**	–	–	**854**
Disposals	–	–	**(289)**	–	**(289)**
Translation reserve	**55**	**200**	**45**	**17**	**317**
As at 31 December 2023	**3,121**	**12,480**	**2,456**	**1,954**	**20,011**
Transfer from exploration and evaluation assets *(Note 8)*	–	**4,419**	–	–	**4,419**
Additions	–	**454**	**53**	**380**	**887**
Change in estimates *(Note 17)*	–	**(108)**	–	–	**(108)**
Translation reserve	**(412)**	**(2,137)**	**(330)**	**(297)**	**(3,176)**
As at 31 December 2024	**2,709**	**15,108**	**2,179**	**2,037**	**22,033**
Additions	–	**41**	**9**	**69**	**119**
Change in estimates *(Note 17)*	–	**84**	–	–	**84**
Translation reserve	**17**	**90**	**13**	**11**	**131**
As at 30 June 2025	**2,726**	**15,323**	**2,201**	**2,117**	**22,367**

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. INTANGIBLE ASSETS (continued)

In thousands of USD	Subsurface use right and social program	Exploration and evaluation assets and mining assets	Temporary land-use right	Other	Total
Accumulated amortization					
As at 1 January 2021	(917)	(862)	(170)	(203)	(2,152)
Amortisation charge	(31)	(156)	(14)	(97)	(298)
Translation reserve	24	17	5	6	52
As at 31 December 2021	(924)	(1,001)	(179)	(294)	(2,398)
Amortisation charge	**(115)**	**(463)**	**(99)**	**(72)**	**(749)**
Disposals	–	–	–	–	–
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)**
Disposals	–	–	–	–	–
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 2021	2,429	10,647	2,566	395	16,037
As at 31 December 2022	**2,089**	**9,476**	**2,357**	**315**	**14,237**
As at 31 December 2023	**1,932**	**10,179**	**1,991**	**1,420**	**15,522**
As at 31 December 2024	**1,531**	**12,270**	**1,628**	**1,310**	**16,739**
As at 30 June 2025	**1,482**	**11,999**	**1,584**	**1,244**	**16,309**

As at 30 June 2025, 31 December 2024, 2022 and 2021, 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 1,533 thousand USD, temporary land- use right for 8 land plots (under a contract for exploration with subsequent gold mining) with a net book value of 151 thousand USD, 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 185 thousand USD were pledged as collateral for a loan received from Development Bank of Kazakhstan JSC *(Note 16)*.

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. EXPLORATION AND EVALUATION ASSETS

Movements of exploration and evaluation assets for periods below were as follows:

In thousands of USD	
As at 1 January 2021	7,618
Additions	5,894
Transfer to development assets *(Note 9)*	(432)
Disposals	(10)
Translation reserve	(265)
As at 31 December 2021	12,805
Additions	**2,256**
Transfer to development assets *(Note 9)*	**(370)**
Translation reserve	**(866)**
As at 31 December 2022	**13,825**
Additions	**5,851**
Translation reserve	**322**
As at 31 December 2023	**19,998**
Additions	**6,375**
Transfer to Intangible assets *(Note 7)*	**(4,419)**
Translation reserve	**(2,837)**
As at 31 December 2024	**19,117**
Additions	**784**
Transfer to Intangible assets *(Note 7)*	**-**
Translation reserve	**102**
As at 30 June 2025	**20,003**

Additions to exploration and evaluation assets during the six months ended 30 June 2025, 31 December 2024, 2023, 2022 and 2021 are mainly represented by exploration and prospecting operations for gold-bearing oxide and primary ores at the Kovolevsky and North Raygorodok deposits and outside the open pit boundaries of the Yuzhny and Severny Raygorodok fields. Disposal of exploration and evaluation assets in 2024 relates to the acceptance of the Sharyk and Novodneprovskoye gold resources and reserves on the state balance.

9. DEVELOPMENT ASSETS

Movements of development assets during periods were as follows:

In thousands of USD	**Development assets**
As at 1 January 2021	13,692
Additions	4,720
Transfer from exploration and evaluation assets *(Note 8)*	432
Transfer from PPE	206
Translation reserve	(418)
As at 31 December 2021	18,632
Additions	**2,142**
Transfer from exploration and evaluation assets *(Note 8)*	**370**
Disposal	**(597)**
Translation reserve	**(1,268)**
As at 31 December 2022	**19,279**
Additions	**539**
Translation reserve	**350**
As at 31 December 2023	**20,168**
Additions	**24,720**
Translation reserve	**(5,212)**
As at 31 December 2024	**39,676**
Additions	**17,364**
Translation reserve	**(51)**
As at 30 June 2025	**56,989**

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. DEVELOPMENT ASSETS (continued)

In thousands of USD	Development assets
Accumulated amortization	
As at 1 January 2021	(7,115)
Amortisation charge	(45)
Translation reserve	181
As at 31 December 2021	(6,979)
Amortisation charge	**(537)**
Translation reserve	**469**
As at 31 December 2022	**(7,047)**
Amortisation charge	**(1,179)**
Translation reserve	**(129)**
As at 31 December 2023	**(8,355)**
Amortisation charge	**(1,090)**
Translation reserve	**1,213**
As at 31 December 2024	**(8,232)**
Amortisation charge	**(492)**
Translation reserve	**(50)**
As at 30 June 2025	**(8,774)**
Net book value	
As at 31 December 2021	11,653
As at 31 December 2022	**12,232**
As at 31 December 2023	**11,813**
As at 31 December 2024	**31,444**
As at 30 June 2025	**48,215**

Additions to development assets during periods above are mainly represented by stripping costs.

10. INVENTORIES

As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025 inventories comprised:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Ore in stockpile (at the lower of cost and net realizable value)	16,172	**35,880**	**61,581**	**76,284**	**78,252**
Work-in-progress (at cost)	7,511	**16,363**	**18,889**	**15,856**	**18,425**
Raw materials (at cost)	2,443	**2,247**	**7,620**	**3,494**	**4,160**
Finished products (at the lower of cost and net realizable value)	-	**-**	**2,057**	**3,060**	**-**
Overalls and stock (at cost)	120	**297**	**500**	**459**	**366**
Total	26,246	**54,787**	**90,647**	**99,153**	**101,203**
Non-current portion	10,618	**-**	**5,740**	**3,175**	**3,357**
Current portion	15,629	**54,787**	**84,907**	**95,978**	**97,846**

Spare parts and production materials in warehouses as of 31 December 2021, 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER ACCOUNTS RECEIVABLE

At 31 December 2021, 2022, 2023, 2024 and 30 June 2025, trade and other accounts receivable comprised:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Trade accounts receivable (subject to provisional pricing) – fair value	586	**20,674**	**29,888**	**51,051**	**35,233**
Other receivables	606	**298**	**1,380**	**17**	**102**
	192	**20,972**	**31,268**	**51,068**	**35,335**

The total amount of trade accounts receivables as at dates above is presented in USD.

Trade accounts receivable (subject to provisional pricing) are non-interest bearing, but as discussed in *Note 3* above are exposed to future commodity price movements over the quotation periods and hence fail the SPPI test and are measured at fair value until the date of settlement.

12. PREPAYMENTS

At 31 December 2021, 2022, 2023 and 2024 and 30 June 2025 prepayments comprised:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Prepayment for property, plant and equipment and intangible assets	1,513	**1,155**	**850**	**2,388**	**3,318**
Prepayment for supply of inventories	49	**898**	**586**	**530**	**252**
Prepayment for services	4,115	**1,463**	**779**	**345**	**165**
Less: allowance for ECL	(3)	**-**	**-**	**-**	**-**
Total	5,674	**3,516**	**2,215**	**3,263**	**3,735**
Non-current portion	1,510	**1,155**	**850**	**2,388**	**3,318**
Current portion	4,164	**2,361**	**1,365**	**875**	**417**

13. LOANS ISSUED

At 31 December 2021, 2022, 2023 and 2024 and 30 June 2025 loans issued comprised:

In thousands of USD	**Currency**	**Interest rate**	**Maturity date**	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
RG Processing LLP	USD	0-6%	On demand	63,412	**50,291**	**7,008**	**–**	**–**
Cantech S,a,r,l,	Euro	2%	On demand	262	**252**	**266**	**–**	**–**
				63,674	**50,543**	**7,274**	**–**	**–**

Under the tripartite credit line agreement dated 17 May 2021 between Development Bank of Kazakhstan JSC, RG Processing LLP and RG Gold LLP, during 2024 the Company repaid the loan on behalf of RG Processing LLP in the amount of 106,357 thousand USD to Development Bank of Kazakhstan JSC. In 2024 RG Processing LLP fully repaid the debt in the amount of USD 113 143 thousand. During 2023, the Company repaid loans of RG Processing LLP to Development Bank of Kazakhstan JSC in the amount of USD 24,594 thousand under the tripartite agreement.

In 2024 Cantech S.A.R.L. repaid principal amount for 256 thousand USD.

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

As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025, the Company did not recognize an allowance for expected credit losses on loans issued to related parties.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. CASH AND CASH EQUIVALENTS AND CASH RESTRICTED IN USE

At 31 December 2021, 2022, 2023, 2024 and 30 June 2025 cash and cash equivalents comprised:

In thousands of USD	31 December 2021	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Cash on deposit accounts (less than three months)	1	–	3	6,018	138,008
Cash on current bank accounts in tenge	16,639	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
Cash on hand	1	–	–	–	–
Less: allowance for expected credit losses	–	–	–	–	–
	16,641	21,675	69,693	6,090	141,940

During the six months ended 30 June 2025 and years ended 31 December 2024, 2023, 2022 and 2021 no interest was accrued on cash balances on current bank accounts. As at 30 June 2025, 31 December 2024, 2023, 2022 and 2021 deposit accounts of up to three months denominated in tenge bear interest ranging from 12.50% to 15.50% per annum. During the six months ended 30 June 2025 and year ended 31 December 2024 and 2023, the Company recognised interest income in the amount of 5,579 thousand USD, 3,700 thousand USD, 1,711 thousand USD respectively.

Cash restricted in use

At 31 December 2021, 2022, 2023, 2024 and 30 June 2025 cash restricted in use comprised:

In thousands of USD	31 December 2021	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Restricted cash in tenge	580	807	1,492	1,964	1,984
Restricted cash in USD	1,030	1,031	1,160	1,160	1,160
Less: allowance for expected credit losses	–	–	–	–	–
	1,610	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. As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025, the weighted average interest rate on these deposits was ranging from 0.10% to 0.61%.

15. CHARTER CAPITAL

As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025 the amount of the declared and fully paid-up charter capital was 12,428 thousand USD. The charter capital was formed through cash contribution. As of 31 December 2021, 2022, 2023, 2024 and 30 June 2025 Cantech S,a,r,l, is a 100% participant of the Company.

During 2024 the Company declared dividends of 196,785 thousand USD and paid 167,271 thousand USD, net of withholding tax. The remaining balance of dividends payable in the amount of 430 thousand USD was paid in January 2025 (during 2021, 2022, 2023 and six months ended 30 June 2025: nil USD).

16. LOANS AND BORROWINGS

As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025, loans and borrowings comprised:

In thousands of USD	Currency	Nominal interest rate	Effective interest rate %	Maturity date	31 December 2021	31 December 2022	31 December 2023	31 December 2024	30 June 2025
Halyk Bank of Kazakhstan JSC	USD	6.78%	7.1%	23-Jun-25	–	–	–	18,003	–
Halyk Bank of Kazakhstan JSC	Tenge	16.75%	18.40%	5-Aug-31	–	–	–	7,566	7,065
Development Bank of Kazakhstan JSC	USD	9%	9%	17-May-30	9,490	9,623	10,576	–	–
Forte Bank JSC	USD	4.5%	4.7%	7-Dec-23	23,540	35,140	–	–	–
Total					33,030	44,763	10,576	25,569	7,065
Non-current portion					9,490	9,623	8,244	6,467	5,964
Current portion					23,540	35,140	2,332	19,102	1,101

Development Bank of Kazakhstan JSC

Under the terms of interest-bearing loans, the Company ensured the fulfilment of financial and non-financial covenants and prematurely repaid the principal debt and interest as of 31 December 2021, 2022, 2023, 2024 and 30 June 2025.

Halyk Bank of Kazakhstan JSC

On 21 May 2024, the Company made early repayment of its loans payable to the Development Bank of Kazakhstan JSC for the principal in the amount of 8,168 thousand USD and interest in the amount of 2,201 thousand USD.

On 5 September 2024, the Company entered into a loan agreement for 8,168 thousand USD with JSC Halyk Bank of Kazakhstan to reimburse incurred expenses for repayment of the principal on the loan from JSC Development Bank of Kazakhstan.

On 23 December 2024, the Company received a short-term loan of USD 30,000 thousand (equivalent to 15,715,800 thousand tenge) from JSC Halyk Bank of Kazakhstan, of which USD 12,000 thousand (equivalent to 6,261,720 thousand tenge) was repaid at the end of 2024.

According to the terms of the loan agreement with JSC Halyk Bank of Kazakhstan, the Company 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 30 June 2025, 31 December 2024, 2023 and 2022, 100% interest in RG Gold LLP and tailings storage facility with a carrying value of 42,020 thousand USD are pledged to secure obligations under the credit line agreement with JSC Halyk Bank of Kazakhstan. The Company monitors compliance with covenants under the loan agreement on each reporting date.

17. PROVISIONS

Movements of provisions in periods below were as follows:

In thousands of USD	Site restoration	Social program commitments	Total
As at 1 January 2021	1,539	524	2,063
Incurred during the year *(Note 7)*	39	–	39
Unwinding of discount *(Note 23)*	92	21	113
Change in estimates *(Note 7)*	100	(150)	(50)
Net foreign exchange gain	–	8	8
Usage of provision	–	(30)	(30)
Translation reserve	(42)	(11)	(53)
As at 31 December 2021	**1,728**	**362**	2,090
Non-current portion	1,728	333	2,061
Current portion	–	29	29

NOTES TO THE FINANCIAL STATEMENTS (continued)

17. PROVISIONS (continued)

In thousands of USD	Site restoration	Social program commitments	Total
As at 1 January 2022	1,728	362	2,090
Incurred during the year *(Note 7)*	210	–	210
Unwinding of discount *(Note 23)*	98	21	119
Change in estimates *(Note 7)*	(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 7)*	556	–	556
Unwinding of discount *(Note 25)*	155	24	179
Change in estimates *(Note 7)*	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 7)*	454	–	454
Unwinding of discount *(Note 25)*	296	21	317
Change in estimates *(Note 7)*	(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 year	41	–	41
Unwinding of discount *(Note 25)*	166	11	177
Change in estimates	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 the Company in Burabai District of Akmola region is subject to elimination, and the site is subject to restoration to its original condition after the Company's activities completion.

The estimated total undiscounted cost of dismantling of property, plant and equipment and land restoration after the completion of the Company's operations as at 30 June 2025 is 5,500 thousand USD (31 December 2024: 4,935 thousand USD; 31 December 2023: 5,013 thousand USD and 31 December 2022: 2,559 thousand USD). As at 30 June 2025, the discounted amount of provision for land restoration amounted is 3,760 thousand USD (31 December 2024: 3,453 thousand USD; 31 December 2023: 3,314 thousand USD and 31 December 2022: 1,712 thousand USD).

17. PROVISIONS (continued)

Site restoration (continued)

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 six months ended 30 June 2025, the management determined the present value of the restoration costs by discounting the estimated restoration cost using the rate of 9.38% (2024: 9.21%; 2023: 8.77% and 2022: 8.92%), including the estimated inflation rate of 5.71% (2024: 5.38%; 2023: 4.75% and 2022: 5.34%).

Social program commitments

According to the subsurface use contract, the Company is committed to provide financing of 30 000 US dollars per year for social development up to the expiry of the subsurface use contract in 31 December 2040. As of 30 June 2025, a social program commitment was equal to 284 thousand USD (31 December 2024: 272 thousand USD; 31 December 2023: 283 thousand USD and 31 December 2022: 289 thousand USD). The present value of costs was calculated by discounting their estimated value at a USD rate of 9.38% (2024: 9.08%; 2023: 8.81% and 2022: 9.08%).

18. TRADE AND OTHER ACCOUNTS PAYABLE

As at 31 December 2021, 2022, 2023, 2024 and 30 June 2025 trade and other accounts payable comprised:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Trade accounts payable to related parties *(Note 27)*	188	**7,172**	**2,155**	**33,130**	**22,243**
Trade accounts payable to third parties	1,636	**2,216**	**8,633**	**9,227**	**14,981**
Due to employees	816	**620**	**431**	**292**	**3,494**
Other accounts payable	76	**221**	**218**	**35**	**34,952**
	2,716	**10,229**	**11,437**	**42,684**	**75,670**

At 31 December 2021, 2022, 2023 and 2024, 30 June 2025 no interest has been charged on trade and other accounts payable.

At 31 December 2021, 2022, 2023 and 2024 and 30 June 2025, trade and other accounts payable were denominated in the following currencies:

In thousands of USD	31 December 2021	**31 December 2022**	**31 December 2023**	**31 December 2024**	**30 June 2025**
Tenge	2,699	**10,214**	**11,266**	**42,609**	**75,472**
Pound Sterling	–	**–**	**169**	**72**	**120**
Dollar	–	**15**	**–**	**2**	**60**
Rubles	17	**–**	**2**	**1**	**18**
	2,716	**10,229**	**11,437**	**42,684**	**75,670**

19. OTHER NON-FINANCIAL LIABILITIES

In 2024 the amount of non-financial liabilities mainly includes withholding tax of 10,744 thousand USD related to dividend payments.

As at 30 June 2025 the amount of non-financial liabilities mainly includes mineral extraction tax of 12,489 thousand USD.

20. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customer for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Income from sale of Dore alloy	69,187	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 accounts receivables	–	206	–	6,820	4,244	11,321
	69,187	117,261	367,431	472,499	205,562	338,823

For the six months ended 30 June 2025, revenue from sales of gold-containing products to Kazzinc LLP and Tau Ken LLP represented 83% and 17% of total revenue from contracts with customers, respectively (6 months ended 30 June 2024: 74% and 26%; 2024: 68% and 32% respectively; 2023: 63% and 37%; and 2022: 69% and 31%).

For the six months ended 30 June 2025, and years ended 31 December 2021, 2022, 2023 and 2024 revenue from contracts with customers was generated in the Republic of Kazakhstan and recognized at a point in time.

21. COST OF SALES

Cost of sales for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Processing services	6,030	22,872	121,290	152,636	71,526	90,696
Mineral extraction tax	4,384	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	9,069	8,283	10,383	11,680	5,855	6,633
Depreciation and amortisation *(Notes 5,7,9)*	2,130	3,693	6,615	6,869	3,111	3,617
Materials	7,917	9,347	9,958	5,547	2,981	2,912
Taxes other than income tax	279	490	2,175	2,629	897	1,272
Catering services	697	761	1,049	997	523	574
Repair and maintenance	224	229	524	844	294	314
Security services	396	391	498	567	286	300
Utility services	1,213	755	769	549	226	264
Laboratory-based work	630	1,524	1,390	1,640	616	205
Research expenses	79	–	–	–	18	74
Transportation expenses	52	54	85	118	41	52
Business trip expenses	15	9	44	92	91	32
Education and trainings	10	8	474	84	23	30
Engineer works	–	52	48	75	–	4
Change in work in progress and ore *(Note 10)*	1,301	(30,287)	(29,242)	(26,260)	(7,529)	(916)
Depreciation of development assets	45					
Other	302	623	1,076	1,327	560	1,343
	34,773	68,134	238,318	250,992	120,017	152,159

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

22. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Payroll and related taxes	1,933	2,125	3,076	3,371	2,001	2,634
Depreciation and amortisation *(Note 5, 6)*	288	265	543	691	359	339
Advisory and audit services	49	106	112	208	117	131
Conference participation, subscriptions	–	–	62	73	6	77
Education and trainings	20	21	48	81	32	66
Lease	51	10	3	8	4	65
Business trip expenses	10	17	41	293	83	64
Materials	101	66	71	78	33	41
Communications	40	70	59	60	34	15
Insurance	148	155	42	15	5	5
Bank fees	14	13	10	9	–	3
Utilities	63	41	3	5	3	2
Taxes other than income tax	463	264	139	17	13	1
Repair and maintenance	5	9	1	5	–	1
Fines and penalties	–	20	1	15	–	–
Other	96	161	427	596	161	145
	3,281	3,343	4,638	5,525	2,851	3,589

23. (IMPAIRMENT LOSSES) / RECOVERY ON FINANCIAL ASSETS, NET

Impairment losses on financial assets for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Trade and other accounts receivable *(Note 11)*	51	(195)	135	(288)	(301)	-
	51	(195)	135	(288)	(301)	-

Impairment losses on non-financial assets for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Property, plant and equipment	288	82	–	–	–	–
Inventories	–	253	–	–	–	–
	288	335	–	–	–	–

24. OTHER OPERATING EXPENSES

Other operating expenses for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 were as follows:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Charity expenses	288	351	269	2,850	2,874	38,119
Research and development	–	–	–	3,510	169	–
Loss from disposal of non-current assets	–	–	32	23	21	7
Currency exchange expenses	–	–	390	986	123	20
Other	3	613	17	292	127	3,126
	291	964	708	7,661	3,314	41,272

Charity expenses include gratuitous donation to the Private Foundation "Bulat Utemuratov Foundation" for charitable purposes amounted to 35,769 thousand USD; sponsorship for the development of Kazakhstan tennis in the amount of 2,350 thousand USD (2024: 505 thousand USD) and other sponsorship for the six months ended 30 June 2025. In 2024 the Company provided financial assistance to the local population affected by spring floods in Akmola region of 2,276 thousand USD.

In 2024, research work as part of the obligations under Contract No. 486 was charged to other operating expenses.

25. FINANCE INCOME AND FINANCE COSTS

Finance income for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Interest income on deposit accounts	7	7	1,719	7,256	1,366	5,674
Interest income on loans issued	2,166	3,088	1,232	4	2	–
Unwinding of discount	1	2	2	2	1	1
	2,174	3,097	2,953	7,262	1,369	5,675

Finance costs for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025:

In thousands of USD	2021	2022	2023	2024	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2025
Interest expenses on loans and borrowings *(Note 29)*	513	1,844	1,729	802	310	808
Unwinding of discount *(Note 17)*	113	119	179	317	64	177
Interest expenses on leases *(Notes 6, 29)*	85	59	148	152	83	63
	711	2,022	2,056	1,271	457	1,048

26. INCOME TAX EXPENSE

Income tax expense for years ended 31 December 2021, 2022, 2023 and 2024 and the six months ended 30 June 2024 and 2025 comprised:

In thousands of USD	2021	**2022**	**2023**	**2024**	**6 months ended 30 June 2024 (unaudited)**	**6 months ended 30 June 2025**
Current income tax expense	6,394	**8,977**	**25,521**	**42,697**	**18,554**	**39,677**
Deferred income tax expense/(benefit)	264	**(58)**	**198**	**(651)**	**(3,899)**	**(3,429)**
Adjustment of prior years	186	**–**	**392**	**(626)**	**(626)**	**–**
	6,844	**8,919**	**26,111**	**41,420**	**14,029**	**36,248**

The Company is subject to corporate income tax determined in accordance with the laws of the Republic of Kazakhstan. During six months ended 30 June 2025, and in 2021, 2022, 2023 and 2024 the corporate income tax rate was 20%.

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

In thousands of USD	2021	**2022**	**2023**	**2024**	**6 months ended 30 June 2024 (unaudited)**	**6 months ended 30 June 2025**
Profit before tax	32,282	**45,061**	**126,874**	**212,885**	**77,160**	**146,054**
Theoretical income tax charge at statutory tax rate of 20%	6,456	**9,012**	**25,375**	**42,577**	**15,432**	**29,211**
Correction of current income tax	186	**–**	**392**	**(626)**	**(626)**	**-**
Other non-deductible expenses	202	**46**	**344**	**229**	**86**	**7,075**
Other non-taxable income	–	**(139)**	**–**	**(760)**	**(863)**	**(38)**
Total income tax expense	6,844	**8,919**	**26,111**	**41,420**	**14,029**	**36,248**

NOTES TO THE FINANCIAL STATEMENTS (continued)

26. INCOME TAX EXPENSE (continued)

Deferred tax balances calculated by applying the income tax rates in effect at the respective balance sheet dates to the temporary differences between the tax basis of assets and liabilities and the amounts reported in the financial statements, comprised the following:

In thousands of USD	1 January 2021	Trans-lation reserve	Change through profit or loss	31 December 2021	Trans-lation reserve	Change through profit or loss	31 December 2022	Trans-lation reserve	Change through profit or loss	31 December 2023	Trans-lation reserve	Change through profit or loss	31 December 2024	Trans-lation reserve	Change through profit or loss	30 June 2025
Deferred tax assets																
Provisions for site restoration	288	3	(182)	109	(7)	(17)	85	2	102	189	(92)	648	745	4	60	809
Provision for unused vacations	65	-	30	95	(7)	(4)	84	2	-	86	(10)	(18)	58	(10)	625	673
Exchange difference on accounts payable	-	-	-	-			-	-	-	-	(71)	684	613	(2)	340	951
Taxes	23	-	10	33	(3)	(24)	6	-	3	9	(6)	41	44	(44)	2,649	2,649
Interest on the loan	1	-	(1)	-	(1)	246	245	5	127	377	(12)	(360)	5	-	(2)	3
Provision for impairment of inventories	-	-	-	-	-	50	50	1	-	51	(6)	(6)	39	-	-	39
Provision for expected credit losses	-	-	-	-	-	41	41	1	(27)	15	(8)	56	63	-	-	63
Change in fair value of accounts receivable	-	-	-	-	-	-	-	-	-	-	(15)	147	132	4	(189)	(53)
Right of use-assets	-	-	-		-	98	98	2	131	231	(28)	(23)	180	1	(23)	158
	377	3	(143)	237	(18)	390	609	13	336	958	(248)	1,169	1,879	(47)	3,460	5,292
Deferred tax liabilities																
Property, plant and equipment and intangible assets	(893)	(58)	(121)	(1,072)	129	(439)	(1,382)	(27)	(534)	(1,943)	311	(518)	(2,150)	(14)	(31)	(2,195)
Other non-current assets	(114)	59	-	(55)	(52)	107	-	-	-	-	-	-	-	-	-	-
	(1,007)	1	(121)	(1,127)	77	(332)	(1,382)	(27)	(534)	(1,943)	311	(518)	(2,150)	(14)	(31)	(2,195)
Deferred income tax benefit/(expense)			(264)	-		58	-		(198)	-		651	-		3,429	
Net deferred tax (liabilities)/assets	(630)			(890)			(773)			(985)			(271)			3,097

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. 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 2021, 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.

The nature of the related party relationships for those related parties with whom the Company entered into significant transactions or had significant balances outstanding at 31 December 2024, 2023, 2022, 2021 and 30 June 2025 are detailed below.

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2021		
Loans issued *(Note 13)*	262	63,412
Cash and cash equivalents	–	16,639
Restricted cash	–	1,610
Other trade receivable	–	589
Loans and borrowings *(Note 16)*	–	23,540
Trade accounts payable *(Note 18)*	–	188
Lease liability *(Note 6)*	–	745

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2022		
Loans issued *(Note 13)*	**252**	**50,291**
Cash and cash equivalents	**–**	**6,322**
Restricted cash	**–**	**1,838**
Other trade receivable	**–**	**346**
Loans and borrowings *(Note 16)*	**–**	**35,140**
Trade accounts payable *(Note 18)*	**–**	**7,172**
Lease liability *(Note 6)*	**–**	**489**

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
As at 31 December 2023		
Loans issued *(Note 13)*	**266**	**7,008**
Cash and cash equivalents	**–**	**199**
Restricted cash	**–**	**2,652**
Other trade receivable	**–**	**1,314**
Loans and borrowings *(Note 16)*	**–**	**–**
Trade accounts payable *(Note 18)*	**–**	**2,155**
Lease liability *(Note 6)*	**–**	**1,154**

NOTES TO THE FINANCIAL STATEMENTS (continued)

27. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties (continued)

In thousands of USD	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 trade receivable	**–**	**2**
Loans and borrowings *(Note 16)*	**–**	**–**
Trade accounts payable *(Note 18)*	**–**	**33,130**
Lease liability *(Note 6)*	**–**	**901**

In thousands of USD	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 trade receivable	**–**	**40**
Loans and borrowings *(Note 16)*	**–**	**–**
Trade accounts payable *(Note 18)*	**–**	**22,243**
Lease liability *(Note 6)*	**–**	**790**

As at 30 June 2025, 31 December 2024, 2023 and 2022, 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 the Company.

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
2021		
Purchases of goods and services	–	(36)
Finance income	5	2,166
Finance costs	–	(494)
Other income	–	–

In thousands of USD	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**

27. RELATED PARTY DISCLOSURES (continued)

Terms and conditions of transactions with related parties (continued)

In thousands of USD	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

In thousands of USD	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

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
6m2024		
Purchases of goods and services	–	(72,358)
Finance income	2	1,366
Finance costs	–	(83)
Other income	570	1,310

In thousands of USD	Parent	Entities under common control of the ultimate controlling party
6m2025		
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 six months ended 30 June 2025, 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 90,696 thousand USD (2024: 152,636 thousand USD, during six months ended 30 June 2024: 71,526 thousand USD, 2023: 121,290 thousand USD and in 2022: 22,872 thousand USD).

27. RELATED PARTY DISCLOSURES (continued)

Compensation to the key management personnel

For the six months ended 30 June 2025 and years ended 31 December 2024, 2023 and 2022, total compensation to key management personnel included in general and administrative expenses in the statement of comprehensive income amounts to 1,065 thousand USD, 1,413, 1,454 and 926 thousand USD, respectively. Compensation to the key personnel includes salaries, bonuses, expenses on vacations and other payments in accordance with the internal provisions of the Company.

28. 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.

The Company believes that it has paid or accrued all taxes that are applicable. Where legislation concerning the provision of taxes is unclear, the Company has accrued tax liabilities based on management's best estimate. The Company'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 30 June 2025, 31 December 2024, 2023 and 2022.

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 the Company 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 the Company does not satisfy its contractual obligations.

Work program

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

Education commitments

According to the subsurface use contract, the Company 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 30 June 2025, 31 December 2024, 2023 and 2022, the Company's management believes that the Company complied with the substantial commitments for financing of R&D.

28. COMMITMENTS, CONTINGENCIES AND OPERATING RISKS (continued)

Work program (continued)

Education commitments (continued)

According to the requirements of the subsurface use contract the Company 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 30 June 2025, 31 December 2024, 2023 and 2022 the Company's management believes that the Company 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, the Company 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 30 June 2025, 31 December 2024, 2023 and 2022, the Management of the Company believes that the Company fulfilled its significant obligations under licenses for exploration of solid minerals and the use of subsurface space.

Contingent liabilities

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

Guarantees

As of 30 June 2025, 31 December 2024 and 2022, the Company had no guarantee obligations to a related party RG Processing LLP (2023: in respect of 70% from the total cost of contracts for the supply of spare parts of 297 thousand USD from Metso Outotec Kazakhstan LLP). Moreover, the Company 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 30 June 2025, 31 December 2024, 2023 and 2022, the balance of liabilities of RG Processing LLP to the bank is 191,701 thousand USD, 205,807 thousand USD, 244,824 thousand USD, 245,555 thousand USD respectively.

Environmental protection

The Company 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 the Company. As Kazakhstan's laws and regulations evolve concerning environmental assessments and site restoration, the Company 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 the Company's future results of operations or cash flow could be materially affected in a particular period.

28. COMMITMENTS, CONTINGENCIES AND OPERATING RISKS (continued)

Environmental protection (continued)

The management believes it is unlikely that such costs will have a material effect on the financial position of the Company 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 the Company'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 the Company'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, the Company 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 the Company's financial position or results of operations.

During 2023, the Company continued to pursue claims and litigation work based on the results of the inspection with the Department of Ecology in Akmola region. The Company'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, the Company has insurance coverage for civil liability to third parties at the level of generally accepted principles in the gold mining industry. Management of the Company believes that, as at 30 June 2025, 31 December 2024, 2023 and 2022, the Company's insurance program complies with the main provisions of the subsurface use contract.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Major financial liabilities of the Company comprise loans and borrowings, trade, other accounts payable, lease liabilities and social obligations. The main purpose of these financial liabilities is to support the Company's operating activities. The Company's principal financial assets comprise trade and other accounts receivable, loans issued, cash and cash equivalents, and restricted cash that directly arrive from its operations. For six months ended 30 June 2025, 30 June 2024 and for the years ended 31 December 2024, 2023 and 2022, the Company did not undertake trading in financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

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 and other receivables, loans and borrowings received and trade and other accounts payable.

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. The Company is not exposed to risk of changes in market interest rates, since it does not have financial instruments with floating rates.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

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.

The Company is exposed to foreign currency risk while performing sales, purchases, attracting borrowings denominated in the currency other than the functional currency of the Company, The main income of the Company is denominated in US dollar, 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 USD against tenge.

The Company has the following types of financial assets and liabilities denominated in foreign currency as at the reporting date:

In thousands of USD	31 December 2022 EUR denominated	31 December 2023 EUR denominated	31 December 2024 EUR denominated	30 June 2025 RUB denominated	31 December 2022 USD denominated	31 December 2023 USD denominated	31 December 2024 USD denominated	30 June 2025 USD denominated
Cash and cash equivalents *(Note 14)*	–	–	–	15	5,378	–	–	3,855
Restricted cash	–	–	–	–	1,031	1,160	1,160	1,160
Loans issued *(Note 13)*	252	266	–	–	50,291	7,008	–	–
Total assets	252	266	–	15	56,700	8,168	1,160	5,015
Loans and borrowings *(Note 16)*	–	–	–	–	(44,763)	(10,576)	(18,003)	–
Trade accounts payable *(Note 18)*	–	–	–	(18)	(15)	–	(2)	(60)
Social obligations *(Note 17)*	–	–	–	–	(289)	(283)	(272)	(284)
Lease liabilities *(Note 6)*	–	–	–	–	(489)	(1,154)	(901)	(790)
Total liabilities	–	–	–	(18)	(45,556)	(12,013)	(19,178)	(1,134)
Net amount of financial assets/ (liabilities) in foreign currency	252	266	–	(3)	11,144	(3,845)	(18,018)	(3,881)

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Market risk (continued)

Currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate of Kazakhstani tenge, rouble and euro, with all other variables held constant, of the Company'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	Effect on profit/loss
2021		
US dollar	13% (10%)	(1,050) 807
2022		
US Dollar	**21.00%** **(21.00%)**	**6,226** **(6,226)**
2023		
US Dollar	**14.00%** **(14.00)%**	**(39)** **39**
2024		
US Dollar	**9.09%** **(7.34%)**	**(1,827)** **1,475**
30 June 2024		
US Dollar	**9.09,%** **(7.34%)**	**11** **(9)**
30 June 2025		
US Dollar	**9.09%** **(7.34%)**	**278** **(225)**

Commodity price risk

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

The Company's exposure to the risk of changes in gold prices on the fair value of the trade accounts receivable (subject to provisional pricing) is set out in the following table:

In thousands of USD	Gold price changes	Effect on profit before tax
2021	10% (10%)	12,703 (12,703)
2022	**10%** **(10%)**	**11,753** **(11,753)**
2023	**10%** **(10%)**	**36,736** **(36,736)**
2024	**10%** **(10%)**	**47,250** **(47,250)**
2025	**10%** **(10%)**	**33,246** **(33,246)**

29. 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. The Company is exposed to potential credit risk from potential default by the counterparty. Taking into account the specific nature of the business in the reporting period the Company has a significant concentration of credit risk since the main income of the Company is received from the only major counterparty. In accordance with the Company's policy, accounts receivable is monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The maximum exposure to credit risk of the Company is expressed by the carrying amount of each financial asset recognised in the statement of financial position,

The Company trades with recognised, creditworthy counterparties. It is the Company'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 the Company's exposure to bad debts is not significant. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets described in appropriate Notes.

The Company places deposits at Kazakhstani banks. The Company'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 reporting date using the credit ratings:

		31 December 2021	
In thousands of USD	Rating	Cash and cash equivalents*	Restricted cash
ForteBank JSC	B+/ Positive	16,641	1,610
Halyk Bank JSC	BB+/ Stable	–	–
Altyn Bank JSC	Ba1/ Stable	–	–
		16,641	**1,610**

		31 December 2022	
In thousands of USD	Rating	Cash and cash equivalents*	Restricted cash
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	
In thousands of USD	Rating	Cash and cash equivalents*	Restricted cash
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	
In thousands of USD	Rating	Cash and cash equivalents*	Restricted cash
Halyk Bank JSC	Baa2	6,017	–
ForteBank JSC	Ba2	73	3,124
Bank Center Credit JSC	Ba2	–	–
		6,090	**3,124**

NOTES TO THE FINANCIAL STATEMENTS (continued)

28. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

		30 June 2025	
In thousands of USD	Rating	Cash and cash equivalents*	Restricted cash
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 30 June 2025, 31 December 2024, 2023 and 2022 do not comprise cash on hand.*

Liquidity risk

Liquidity risk is the risk that the Company will be unable to settle all liabilities when they are due. The Company 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 the Company's financial liabilities as at 30 June 2025 and 31 December 2024, 2023 and 2022 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 2021						
Loans and borrowings	–	217	24,688	7,590	6,807	39,302
Lease liabilities	–	71	214	584	–	869
Trade accounts payable *(Note 18)*	–	1,824	–	–	–	1,824
Social obligations *(Note 17)*	–	–	30	152	395	577
	–	2,112	24,932	8,326	7,202	42,572

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						
Loans and borrowings	–	389	35,557	8,951	4,307	49,204
Lease liabilities	–	66	197	538	–	801
Trade accounts payable *(Note 18)*	–	9,388	–	–	–	9,388
Social obligations *(Note 17)*	–	–	30	150	360	540
	–	9,843	35,784	9,639	4,667	59,933

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						
Loans and borrowings	–	–	3,268	6,788	3,437	13,493
Lease liabilities	–	91	273	1,183	–	1,547
Trade accounts payable *(Note 18)*	–	10,788	–	–	–	10,788
Social obligations *(Note 17)*	–	–	30	150	330	510
	–	10,879	3,571	8,121	3,767	26,338

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk (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 2024						
Loans and borrowings	–	–	20,383	4,627	2,156	27,166
Lease liabilities	–	90	270	749	–	1,109
Trade accounts payable *(Note 18)*	–	42,357	–	–	–	42,357
Social obligations *(Note 17)*	–	–	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						
Loans and borrowings	–	–	1,120	5,453	2,206	8,779
Lease liabilities	–	79	238	1,033	–	1,350
Trade accounts payable *(Note 18)*	–	37,224	–	–	–	37,224
Social obligations *(Note 17)*	–	–	26	131	288	445
	–	37,303	1,384	6,617	2,494	47,798

Changes in liabilities arising from financial activities

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

In thousands of USD	As at 1 January 2022	Cash inflows	Repayment of the principal	Interest paid	Effect from changes in exchange rates	Finance costs	Capitalised borrowing costs	Non-cash transactions	Translation reserve	As at 31 December 2022
Financial liabilities										
Loans and 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)	(1316)	1,352	1,903	309	(8,292)	(1,772)	45,252

In thousands of USD	As at 1 January 2023	Cash inflows	Repayment of the principal	Interest paid	Effect from changes in exchange rates	Finance costs	Non-cash transactions	Translation reserve	As at 31 December 2023
Financial liabilities									
Loans and 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

NOTES TO THE FINANCIAL STATEMENTS (continued)

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Changes in liabilities arising from financial activities (continued)

In thousands of USD	As at 1 January 2024	Cash inflows for loans/ dividends declared	Repayment of the principal	Interest paid	Withholding tax	Effect from changes in exchange rates	Finance costs	Non-cash transactions	Translation reserve	As at 31 December 2024
Financial liabilities										
Dividends payable (including withholding tax payable)	–	196,785	(167,271)	–	(18,060)	(291)	–	–	2	11,165
Loans and 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

In thousands of USD	As at 1 January 2024	Cash inflows	Repayment of the principal	Interest paid	Withholding tax	Effect from changes in exchange rates	Finance costs	Non-cash transactions	Translation reserve	As at 30 June 2024
Financial liabilities										
Dividends payable	–	–	–	–	–	–	–	–	–	–
Loans and borrowings	10,576	–	(8,797)	(2,219)	–	130	310	–	–	–
Lease liabilities	1,154	–	(98)	(83)	–	–	83	–	(37)	1,019
Total liabilities arising from financing activities	11,730	–	(8,895)	(2,302)	–	–	393	–	(37)	1,019

In thousands of USD	As at 1 January 2025	Cash inflows	Repayment of the principal	Interest paid	Withholding tax	Effect from changes in exchange rates	Finance costs	Non-cash transactions	Translation reserve	As at 30 June 2025
Financial liabilities										
Dividends payable	11,165	–	(430)	–	(10,994)	125	–	–	134	–
Loans and 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

Capital management

The overriding objectives of the Company'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 the Company's cost of capital.

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2021, 2022, 2023, 2024 and six months ended 30 June 2025.

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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, trade accounts receivable, trade and other accounts payable, 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 the Company 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 2021, 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 reporting date. 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.

Fair value measurement hierarchy

The fair value of loans and borrowings as of 30 June 2025 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 18.34% for tenge-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 31 December 2023 at rates of 19.54% for tenge-denominated loans and 7.25% for USD-denominated loans; as of 31 December 2022 at rates of 19.82% for tenge-denominated loans and 6.42% for USD-denominated loans.

The table below discloses the evaluation hierarchy for liabilities of the Company at the fair value:

In thousands of USD	Date of measurement	Level 1	Level 2	Level 3	Total
Assets for which fair values are disclosed					
Loans issued *(Note 13)*	31 December 2021	–	–	63,674	63,674
	31 December 2022	**–**	**–**	**50,543**	**50,543**
	31 December 2023	**–**	**–**	**7,274**	**7,274**

In thousands of USD	Date of measurement	Level 1	Level 2	Level 3	Total
Financial liabilities whose fair value is disclosed					
Loans and borrowings *(Note 16)*	31 December 2021	–	–	31,573	31,573
	31 December 2022	**–**	**–**	**41,485**	**41,485**
	31 December 2023	**–**	**–**	**8,139**	**8,139**
	31 December 2024	**–**	**–**	**26,062**	**26,062**
	30 June 2025	**–**	**–**	**7,150**	**7,150**

For the six months ended 30 June 2025 and years ended 31 December 2021, 2022, 2023 and 2024 there were no transfers between Levels 1, 2 and 3 of the financial instruments' fair value.

30. SUBSEQUENT EVENTS

On 10 July 2025 dividends in the amount of 97,201 thousand USD have been declared and fully paid in accordance with the resolution of the sole shareholder of the Company.