"NAC "KAZATOMPROM" JSC

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023, AND OPERATING AND FINANCIAL REVIEW FOR THE YEAR ENDED 31 DECEMBER 2023

The following statement is made with a view to distinguish the respective responsibilities of management and those of the independent auditor's in relation to the consolidated financial statements of JSC National Atomic Company Kazatomprom ("Company") and its subsidiaries (hereinafter the "Group") for the year ended 31 December 2023 and operating and financial review for the year ended 31 December 2023.

Management of the Group is responsible for the preparation of consolidated financial statements of the Group for the year ended 31 December 2023, and operating and financial review for the year ended 31 December 2023, that presents fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and the consolidated results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS").

In preparing the consolidated financial statements, management is responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, as well as other events and conditions on the Group's consolidated financial position and financial performance; and
- making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the consolidated financial statements of the Group comply with IFRS;
- maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Kazakhstan;
- taking all reasonably possible measures to safeguard the assets of the Group; and
- preventing and detecting fraud and other irregularities.

The consolidated financial statements for the year ended 31 December 2023 and operating and financial review for the year ended 31 December 2023 were authorised for issue by management of the Group on 14 March 2024.

TEMIRBAYEV S.E	ABDIMOLDAYEV D.K.
CHIEF FINANCIAL OFFICER	FINANCIAL CONTROLLER

National Atomic Company Kazatomprom JSC

Consolidated Financial Statements for the year ended 31 December 2023 and Independent Auditor's Report

Content

Independent Auditor's Report

To the Shareholders and the Board of Directors of National Atomic Company Kazatomprom JSC:

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of National Atomic Company Kazatomprom JSC (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2023, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023;
- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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 consolidated financial statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the Republic of Kazakhstan that are relevant to our audit of the consolidated financial statements.

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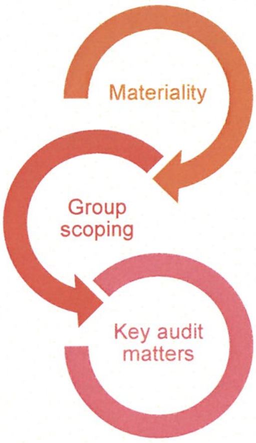
Our audit approach

Overview



- Overall Group materiality: Kazakhstani Tenge ("Tenge") 34,000 million, which represents approximately 5% of profit before tax for the year ended 31 December 2023.

- Group audit scope included the Company, ten subsidiaries, three joint arrangements, two associates in Kazakhstan and one subsidiary in Switzerland.
- Our audit scope addressed 99% of the Group's revenues and 99% of the Group's absolute value of underlying profit before tax.

- Provision for asset retirement obligations

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	Tenge 34,000 million
How we determined it	approximately 5% of profit before tax for the year ended 31 December 2023
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users and is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented companies.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Provision for asset-retirement obligations	
Note 32 to the consolidated financial statements In 2022 the Group developed its methodology for calculation of the provision for the asset retirement obligations for its mining entities with detailed and standardised assessment of both the scope and the associated physical quantities as well as applicable unit cost rates for various decommissioning activities. In 2023 the Group has improved calculation methodology by introducing more detailed assessment of low radioactive waste disposal among other things. The Group also engages on an annual basis the external expert to review the Group's estimates of the provisions for the asset retirement obligations (ARO) for its mining entities. As of 31 December 2023 the Group's asset retirement obligations for its mining entities amounted for Tenge 38,110 million (2022: Tenge 38,116 million). During 2022 the Group has developed the methodology for calculation of the provision for the asset retirement obligations in relation to its non-mining entities in response to the requirements of the Ecological Code of the Republic of Kazakhstan issued in 2021. As of 31 December 2023, the Group's asset retirement obligation for its non-mining entities amounted for Tenge 10,827 million (2022: Tenge 9,391 million). We considered this matter to be one of the most significance in our audit because the calculation of provision for asset retirement obligations involves inherent subjectivity in estimating future nominal costs and uncertainty associated with timing until the actual fulfillment of decommissioning obligations. Provision for asset retirement obligation is also significant in the consolidated financial statements. The Group's estimation of such provisions incorporates the effects of expected approach to decommissioning and discount rates, effects of changes in local regulations along with the effects of changes in inflation.	Our audit procedures included: • We assessed the competence and objectivity of consultant engaged to review the Group's estimate of the provision for the asset retirement obligation for its mining entities. We reviewed consultant's report and reconciled ARO amounts in the report to values used by the Group in ARO provision estimates. • We reviewed the Group's calculations, reconciled principal assumptions to external sources and tested on a sample basis input data used in nominal cost calculations, including physical volume of works, cost per unit and construction estimate norms. • We engaged our legal experts to obtain an understanding of requirements of the Ecological Code that came into effect in July 2021 with regards to decommissioning process for non-mining entities and assessed management's interpretation and fulfillment of such requirements. • We engaged our valuation experts in the audit procedures in relation to the assessment of the reasonableness of the discount and inflations rates used by the Group in calculation of the provision for the asset retirement obligations for its mining and non-mining entities. • We assessed the related disclosures in the consolidated financial statements for compliance with the requirements of IFRS Accounting Standards.

How we tailored our Group audit scope

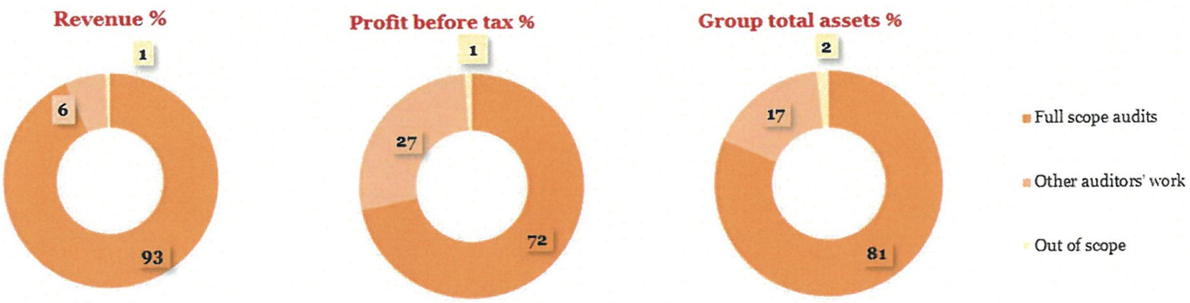
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group's major production facilities and uranium sites are located in the Republic of Kazakhstan. The Group's trading activities are carried out primarily out of Kazakhstan, as well as through operations of a trading subsidiary set up in Switzerland. Group operates seven mining subsidiaries (under twelve subsurface contracts), four mining joint arrangements (under six subsurface use contracts) and four mining associates (under four subsurface use contracts). We audited six mining subsidiaries and one mining joint arrangement. Auditors of two mining joint arrangements, one mining subsidiary and two mining associates reported to us on their audits. The audit scope also included four non-mining subsidiaries, audited by us and one of PwC network firms.

Based on our continuous assessment, we included in our group audit scope the Company and sixteen entities (components), including five components audited by other auditors.

In order to achieve appropriate audit coverage of the audit risks and of each individually significant component of the Group, including each segment and group function:

- Significant components were subject to either a full scope audit, specified risk-focused audit procedures of specific account balances, or Group level procedures. Our selection was based on the relative significance of the entities within the Group or specific risks identified. The components within the scope of our work accounted for the following percentages of the Group's measures (1):



(1) Presented as a percentage of the Group's absolute values at 31 December 2022 and for the year then ended

Audit instructions set out the significant audit areas, materiality thresholds (which ranged from Tenge 1,166 million to Tenge 10,181 million) and specific reporting requirements. The Group audit team directed the work undertaken by component auditors, through a combination of related network and non-network firm reporting, regular interaction on audit and accounting matters, periodic site visits and review of specific audit work papers.

By performing the procedures above at the components in combination with additional procedures performed at Group level, we have obtained sufficient and appropriate audit evidence regarding the consolidated financial statements as a whole that provides basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Annual report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group'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 consolidated 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 Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

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

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

Report on other legal and regulatory requirements

Report on the compliance of the presentation of consolidated financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter No.275/НАК-22 dated 24 November 2022 by the management of the Group to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the consolidated financial statements of NAC Kazatomprom JSC Group for the year ended 31 December 2023 (the "presentation of the consolidated financial statements").

Description of a subject matter and applicable criteria

The presentation of the consolidated financial statements has been applied by the management to comply with the requirements of Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the presentation of the consolidated financial statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the presentation of the consolidated financial statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management is responsible for the presentation of the consolidated financial statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the presentation of the consolidated financial statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of consolidated financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the presentation of the consolidated financial statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (R) "Assurance Engagements other than Audits and Reviews of Historical Financial Information' (ISAE 3000 (R)". This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the presentation of the consolidated financial statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality management requirements and professional ethics

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the presentation of the consolidated financial statements complies, in all material aspects, with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the process of preparation of the consolidated financial statements in ESEF format, including the Group's process of selection and application of XBRL tags and maintaining compliance with the ESEF regulations;
- evaluating the completeness of marking up the consolidated financial statements using the XBRL markup language according to the requirements of the implementation of electronic format as described in the ESEF Regulation;
- reconciling of the tagged information included in the consolidated financial statements in ESEF format to the audited consolidated financial statements;
- assessment whether the applied XBRL tags from the taxonomy specified by the ESEF regulations were applied appropriately and that extensions to the elements in the taxonomy specified in the

ESEF regulations were used when there were no suitable elements in the taxonomy specified in the ESEF regulations;

- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy specified by the ESEF Regulations.

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

Conclusion

In our opinion, based on the procedures performed, the presentation of the consolidated financial statements complies, in all material respects, with the ESEF Regulation.

The engagement partner on the audit resulting in this independent auditor's report is Almaz Sadykov.

On behalf of PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Approved by:

Azamat Konratbaev
Managing Director
PricewaterhouseCoopers LLP
(General State License of the Ministry of Finance of the Republic of Kazakhstan №0000005 dated 21 October 1999)

Signed by:

Almaz Sadykov
Auditor in charge
(Qualified Auditor's Certificate №0000745 dated 8 February 2019)

14 March 2024
Astana, Kazakhstan

In millions of Kazakhstani Tenge	Note	For the year ended 31 December 2023	For the year ended 31 December 2022
Revenue	7	1,434,635	1,001,171
Cost of sales	8	(671,862)	(475,097)
Gross profit		**762,773**	**526,074**
Distribution expenses	9	(28,851)	(25,605)
General and administrative expenses	10	(53,110)	(44,507)
Net reversal of impairment losses on non-financial assets		229	176
Net (impairment losses)/reversal of impairment losses on financial assets	11	(15,935)	132
Net foreign exchange (loss)/gain	13	(21,330)	17,304
Other income	12	4,474	21,717
Other expenses	13	(50,210)	(9,564)
Finance income	15	41,506	17,327
Finance costs	15	(9,589)	(8,425)
Share of results of associates	23	76,049	75,736
Share of results of joint ventures	24	22,336	13,340
Profit before tax		**728,342**	**583,705**
Income tax expense	16	(148,007)	(110,742)
PROFIT FOR THE YEAR		**580,335**	**472,963**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of entities with foreign functional currency		(648)	(46)
Items that will not be reclassified to profit or loss:			
Remeasurement of investments in equity securities at fair value through other comprehensive income		-	14
Remeasurement of post-employment benefit obligations		291	(478)
Other comprehensive loss for the year		**(357)**	**(510)**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**579,978**	**472,453**
Profit for the year attributable to:			
- Owners of the Company		419,184	348,048
- Non-controlling interest	36	161,151	124,915
Profit for the year		**580,335**	**472,963**
Total comprehensive income attributable to:			
- Owners of the Company		418,835	347,589
- Non-controlling interest		161,143	124,864
Total comprehensive income for the year		**579,978**	**472,453**
Earnings per share attributable to the owners of the Company, basic and diluted (rounded to Tenge)	17	1,616	1,342

These consolidated financial statements were approved by management at 14 March 2024:

Temirbayev S.E. Chief Financial Officer	Abdimoldayev D.K. Financial Controller	Jakypbekova S.J. Chief Accountant

In millions of Kazakhstani Tenge	Note	31 December 2023	31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment	19	195,447	188,300
Mine development assets	20	187,216	162,174
Mineral rights	21	496,249	525,140
Intangible assets	18	60,156	59,159
Exploration and evaluation assets	22	26,019	26,543
Investments in associates	23	152,266	154,124
Investments in joint ventures	24	56,585	44,208
Deferred tax assets	16	33,802	34,515
Other financial assets	26	75,873	59,371
Other non-financial assets	27	24,971	21,279
		1,308,584	**1,274,813**
Current assets			
Accounts receivable	25	430,319	270,921
Prepaid income tax		9,536	11,451
VAT recoverable	27	146,450	62,389
Inventories	28	423,314	392,621
Other financial assets	26	49,407	20,678
Other non-financial assets	27	19,398	19,274
Cash and cash equivalents	29	211,912	169,536
		1,290,336	**946,870**
Assets of disposal groups classified as held for sale		372	850
		1,290,708	**947,720**
TOTAL ASSETS		**2,599,292**	**2,222,533**

In millions of Kazakhstani Tenge	Note	31 December 2023	31 December 2022
EQUITY			
Share capital	30	37,051	37,051
Additional paid-in capital		2,539	2,539
Reserves		1,228	1,874
Retained earnings		1,487,091	1,268,580
Equity attributable to shareholders of the Company		1,527,909	1,310,044
Non-controlling interest	36	480,358	386,459
TOTAL EQUITY		**2,008,267**	**1,696,503**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	31	-	83,300
Provisions	32	44,700	43,475
Deferred tax liabilities	16	106,481	116,808
Employee benefits		1,485	1,731
Other liabilities	34	7,547	9,313
		160,213	**254,627**
Current liabilities			
Loans and borrowings	31	86,252	54,971
Provisions	32	9,343	4,506
Accounts payable	33	176,011	98,809
Liabilities for other taxes and compulsory payments		37,437	24,688
Employee benefits		326	325
Income tax liabilities		5,022	4,221
Other liabilities	34	116,421	83,883
		430,812	**271,403**
TOTAL LIABILITIES		**591,025**	**526,030**
TOTAL EQUITY AND LIABILITIES		**2,599,292**	**2,222,533**
Carrying value of one share (rounded to Tenge)	17	7,511	6,313

These consolidated financial statements were approved by management at 14 March 2024:

Temirbayev S.E. Chief Financial Officer	Abdimoldayev D.K. Financial Controller	Jakypbekova S.J. Chief Accountant

In millions of Kazakhstani Tenge	**Note**	**For the year ended 31 December 2023**	**For the year ended 31 December 2022***
OPERATING ACTIVITIES			
Receipts from customers		1,216,066	1,083,872
Receipts under swap transactions	6	243,872	129,617
VAT refund		24,364	74,910
Interest received		17,936	11,701
Payments to suppliers		(516,022)	(476,022)
Payments under swap transactions	6	(155,731)	(201,636)
Payments of wages and salaries		(107,816)	(87,317)
Income tax paid		(154,581)	(125,914)
Other taxes paid		(128,832)	(89,259)
Interest paid	31	(3,873)	(3,570)
Payment return/(payment withheld as restricted funds)	26	14,884	(14,812)
Compensation paid under subsoil use agreement	10	(11,404)	(7,310)
Social payments		(6,754)	(5,226)
Other receipts/(payments), net		116	(5,175)
Cash flows from operating activities		**432,225**	**283,859**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(50,075)	(21,571)
Proceeds from disposal of property, plant and equipment		154	1,211
Acquisition of intangible assets		(867)	(1,013)
Acquisition of mine development assets		(55,985)	(48,670)
Acquisition of exploration and evaluation assets		(2,121)	(3,223)
Acquisition of short-term debt securities	26	(46,276)	-
Acquisition of long-term debt securities		(3,259)	(8,804)
Redemption of short-term debt securities		5,269	5,787
Placement of term deposits and restricted cash		(38,093)	(12,486)
Redemption of term deposits and restricted cash		37,458	44,688
Loan repayments received from related parties		3,456	3,514
Acquisition of equity investments	26	-	(12,368)
Dividends received from associates, joint ventures	23,24	87,794	45,346
Other receipts/(payments), net		1,345	(3,304)
Cash flows from investing activities		**(61,200)**	**(10,893)**

In millions of Kazakhstani Tenge	Note	For the year ended 31 December 2023	For the year ended 31 December 2022*
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	31	22,358	70,905
Repayment of loans and borrowings	31	(73,525)	(26,555)
Dividends paid to shareholders	30	(200,970)	(227,388)
Dividends paid to non-controlling interest		(67,245)	(85,667)
Other payments, net		(43)	(172)
Cash flows from financing activities		**(319,425)**	**(268,877)**
Net increase in cash and cash equivalents		**51,600**	**4,089**
Cash and cash equivalents at the beginning of the year		169,536	161,190
Effect of exchange rate fluctuations on cash and cash equivalents		(9,219)	4,245
Change in impairment provision for cash and cash equivalents		(5)	12
Cash and cash equivalents at the end of the year	29	**211,912**	**169,536**

** Certain amounts in this column do not correspond to the consolidated financial statements for the year ended 31 December 2022, since they comprise reclassifications that are described in Note 3.*

These consolidated financial statements were approved by management at 14 March 2024:

Temirbayev S.E. Chief Financial Officer	Abdimoldayev D.K. Financial Controller	Jakypbekova S.J. Chief Accountant

	Attributable to the shareholders of the Company						
In millions of Kazakhstani Tenge	Share capital	Reserves	Retained earnings	Additional paid-in capital	Total	Non-controlling interest	Total equity
Balance at 1 January 2022	37,051	1,866	1,148,387	2,539	1,189,843	347,258	1,537,101
Profit for the year	-	-	348,048	-	348,048	124,915	472,963
Foreign currency translation difference	-	(6)	-	-	(6)	(40)	(46)
Remeasurements of post-employment benefit obligations	-	-	(467)	-	(467)	(11)	(478)
Remeasurements of investments in equity securities at fair value through other comprehensive income	-	14	-	-	14	-	14
Total comprehensive income for the year	**-**	**8**	**347,581**	**-**	**347,589**	**124,864**	**472,453**
Dividends declared (Note 30)	-	-	(227,388)	-	(227,388)	-	(227,388)
Dividends declared by subsidiaries to other participants	-	-	-	-	-	(85,663)	(85,663)
Balance at 31 December 2022	**37,051**	**1,874**	**1,268,580**	**2,539**	**1,310,044**	**386,459**	**1,696,503**
Profit for the year	-	-	419,184	-	419,184	161,151	580,335
Foreign currency translation difference	-	(646)	-	-	(646)	(2)	(648)
Remeasurements of post-employment benefit obligations	-	-	297	-	297	(6)	291
Total comprehensive income for the year	**-**	**(646)**	**419,481**	**-**	**418,835**	**161,143**	**579,978**
Dividends declared (Note 30)	-	-	(200,970)	-	(200,970)	-	(200,970)
Dividends declared by subsidiaries to other participants	-	-	-	-	-	(67,244)	(67,244)
Balance at 31 December 2023	**37,051**	**1,228**	**1,487,091**	**2,539**	**1,527,909**	**480,358**	**2,008,267**

These consolidated financial statements were approved by management at 14 March 2024:

Temirbayev S.E.
Chief Financial Officer

Abdimoldayev D.K.
Financial Controller

Jakypbekova S.J.
Chief Accountant

1 NAC Kazatomprom JSC and its operations

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards for the year ended 31 December 2023 for National Atomic Company Kazatomprom JSC (the "Company") and its subsidiaries (hereinafter collectively referred to as "the Group").

The Company is a joint stock company set up in accordance with regulations of the Republic of Kazakhstan. The Company was established pursuant to the Decree of the President of the Republic of Kazakhstan on the establishment of National Atomic Company Kazatomprom No. 3593, dated 14 July 1997, and the Decree of the Government of the Republic of Kazakhstan on National Atomic Company Kazatomprom Issues No. 1148 dated 22 July 1997, as a closed joint stock company with a 100% government shareholding.

As at 31 December 2023, 75% of the Company's shares are held by SWF Samruk-Kazyna JSC and 25% are on free float. Government is the ultimate controlling party of the Group. This is unchanged from the prior year end.

The Company's registered address is Syganak street, building 17/12, Astana city, the Republic of Kazakhstan. The principal place of business is the Republic of Kazakhstan.

The Group's principal activities include production of uranium and sale of uranium products. The Group is one of the world leading uranium producing companies. The Group is also involved in processing of rare metals, manufacture and sale of beryllium and tantalum products and scientific support of operational activities.

NAC Kazatomprom JSC is an entity representing interests of the Republic of Kazakhstan at the initial stages of the nuclear fuel cycle and production of fuel assemblies and their components. The Group is a participant in a number of associates and joint ventures which make a significant contribution to its profit (Notes 23 and 24). The Group's development strategy focuses on the core business activities of mining and processing of uranium and related natural resources. The development strategy is designed to ensure long term value growth for all stakeholders of the Group in accordance with the principles of sustainable development through aligning production volumes to market conditions and adopting a market centric focus to sales capabilities, applying best practices in business activities, and developing a corporate culture consistent with the Group's position as an industry leader.

As at 31 December 2023, the Group and its associates and joint ventures were a party to the following contracts for production and exploration of uranium:

Entity / Mine, area	Stage	Contract date	Contract term
The Company and entities under control			
Kazatomprom-SaUran LLP			
Kanzhugan	Production	27 November 1996	51 years
Uvanas	Liquidation	27 November 1996	-
Mynkuduk, East block	Production	27 November 1996	31 years
Moinkum, block 1 (South) (south part)	Liquidation	26 September 2000	-
Moinkum, block 3 (Central) (north part)	Production	31 May 2010	29 years
MC Ortalyk LLP			
Mynkuduk, Central block	Production	8 July 2005	28 years
Zhalpak	Production	14 December 2021	20 years
Appak LLP			
Mynkuduk, West block	Production	8 July 2005	30 years
RU-6 LLP			
North and South Karamurun	Production	15 November 1996	44 years
JV Inkai LLP			
Inkai, block 1	Production	13 July 2000	45 years
Company			
Inkai, block 2	Exploration	25 June 2018	6 years**
Inkai, block 3	Exploration	25 June 2018	4 years*
Baiken-U LLP			
North Khorasan, block 2	Production	1 March 2006	49 years
JV Khorassan-U LLP			
North Khorasan, block 1	Exploration and Production	8 May 2005	53 years
Karatau LLP			
Budenovskoe, block 2	Production	8 July 2005	35 years
JV Akbastau JSC			
Budenovskoe, block 1	Production	20 November 2007	30 years
Budenovskoe, blocks 3, 4	Production	20 November 2007	31 years

1 NAC Kazatomprom JSC Group and its Operations (continued)

Mine/area	Stage	Contract date	Contract term
Associates			
JV KATCO LLP			
Southern Moinkum, Northern part and Tortkuduk	Production	3 March 2000	39 years
JV Zarechnoye JSC			
Zarechnoye	Production	23 September 2002	23 years
JV South Mining Chemical Company LLP			
Akdala	Production	28 March 2001	25 years
Inkai, block 4	Production	8 July 2005	24 years
Joint Ventures			
Semizbay-U LLP			
Semizbai	Production	2 June 2006	25 years
Irkol	Production	14 July 2005	25 years**
JV Budenovskoe LLP			
Budenovskoye, blocks 6, 7	Production	16 October 2020	25 years

** Exploration completed, the Group is in the process of obtaining Subsoil use contract.*

*** The Group plans to extend exploration for 4 additional years for Inkai block 2 mine. The Group extended the contract terms of Irkol mine until 2030 (Note 41).*

At 31 December 2023 the Group comprises 33 entities (2022: 33), mainly located in six regions of the Republic of Kazakhstan: Turkestan region, East Kazakhstan region, Kyzylorda region, Akmola region, Pavlodar region and Almaty region. At 31 December 2023 and 2022 the aggregate number of employees of the Group is about 21 thousand people.

2 Economic environment of the Group

In November 2023 Fitch Ratings, an international rating agency, affirmed Kazakhstan's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BBB' with a stable outlook. According to Fitch, Kazakhstan's 'BBB' IDRs reflect strong fiscal and external balance sheets that have proven resilient to external shocks, and financing flexibility underpinned by accumulated oil revenue savings. Set against these strengths are its very high dependence on commodities, high inflation that partly reflects a less developed macroeconomic policy framework relative to 'BBB' peers, and weak governance indicators. Crude oil and oil condensates continue to be the major contributors to fiscal revenues and exports, and the sector accounts for 17% of GDP, exposing the economy to external shocks arising from changing prices in those commodities. Economic diversification efforts are underway but it will take time, given challenges associated with the business environment and skills shortages.

The economy of the Republic of Kazakhstan continues to develop. Its economy is particularly sensitive to prices on oil, gas and other commodities, which constitute a major part of the country’s exports. These characteristics include, but are not limited to, having a national currency that is not freely traded on the global foreign-exchange markets not freely convertible outside of the country and little presence of Kazakhstani debt and equity securities on foreign stock exchanges. Additionally, the energy sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. Uncertainty remains in relation to the exchange rate of Tenge and commodity prices.

The economic environment has a significant impact on the Group’s operations and financial position. Management is taking necessary measures to ensure sustainability of the Group’s operations. However, the future effects of the current economic situation are difficult to predict, and management’s current expectations and estimates could differ from actual results.

Impact of anti-Russian sanctions

On 24 February 2022 Russia launched a military invasion of Ukraine. In response, the United States, the European Union and a number of other states imposed widespread sanctions on Russia, including banning Russian banks from the SWIFT system. Russia is Kazakhstan's largest trade partner. Kazakhstan is also heavily reliant on the Caspian Pipeline Consortium (CPC), which carries up to 80% of its oil exports and passes through Russian territory.

The conflict in Ukraine and sanctions imposed on Russia have affected commodity prices and Tenge exchange rate. Inflation moderated to 9.8% in December 2023 after peaking at 21.3% in February 2023. During 2023 the economy grew 4.8%. As at the date of issuing these consolidated financial statements the official exchange rate of the National Bank of the Republic of Kazakhstan was Tenge 449.89 per US Dollar 1 compared to Tenge 454.56 per US Dollar 1 as at 31 December 2023 (31 December 2022: Tenge 462.65 per 1 US Dollar).

2 Economic environment of the Group (continued)

As part of its ongoing risk assessment program the Group management monitors the potential impact of anti-Russian sanctions on the Group's operations. To date, the sanctions have had no significant impact on the Group's operations although the market uncertainty caused by the conflict between Russia and Ukraine has resulted in significant volatility of uranium spot price and the Company's share price.

As part of the Group's exported products are transported through Russia, there are risks associated with transit through the territory of Russia, insurance and the delivery of cargo by sea vessels. The Group constantly monitors the potential impact of sanctions on the transportation of finished products. At the date of these financial statements, there are no restrictions on the Group's activities related to the supply of the Group's products to end customers. Since 2018, the Group has also successfully used the Trans-Caspian International Transport Route.

There are also risks associated with Russian partners in the Group's subsidiaries, associates and joint ventures, including reputational and corporate governance risks. On 24 February 2023, the UK included a number of key employees of the Rosatom State corporation in the sanctions list. At the same time, as at the date of approval of these financial statements, the entities of Rosatom State corporation, which are the partners of the Group in six uranium mining entities in Kazakhstan, are not included in the sanctions list. The Group monitors the risk of sanctions, the Group drew up an action plan to minimise possible negative consequences. This action plan is updated as new risks are identified or sanctions programs and lists are updated.

The Group's management is unable to predict the impact of future events on the Group's financial position and its results of this matter. Management will continue to monitor the potential impact of anti-Russian sanctions on the Group and will take all necessary steps to mitigate risks.

3 Other material accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards under the historical cost convention, as modified by financial instruments categorised at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI"). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless specified.

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

Presentation currency

These consolidated financial statements are presented in millions of Kazakhstani Tenge ("Tenge"), unless otherwise stated.

Consolidation

(i) Consolidated financial statements

The Group has several subsidiaries disclosed in Note 37. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

(ii) Associates and joint ventures

The Group's associates and joint ventures are disclosed in Notes 23 and 24. The entities have share capital, which is held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. Associates are entities over which the Group has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Entities where the Group holds joint control by means of unanimous decision making with the second participant over relevant activities, are classified as joint ventures.

3 Other material accounting policies (continued)

(iii) Joint operations

The Group is a party to joint operations as disclosed in Note 37. In accordance with requirements of the relevant agreements, participants buy output of joint operations equally in accordance with their ownership interest. If participants of the joint operations do not comply with this requirement during a period, a liability or receivable under joint operations is recognised for an amount equivalent to the corresponding gross margin. The liability/receivable is settled either when participants satisfy the parity requirements or participants mutually agree to discharge the liabilities/receivables, and a corresponding loss/gain is recognised in profit or loss statement. Receivables and payables between participants of the joint operations are presented on a gross basis in the financial statements. No revenue from joint operations is recognised in the financial statements until the Group sells the output to third parties.

Foreign currency translation

The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its Kazakhstan subsidiaries is the national currency of Kazakhstan, Kazakhstani Tenge. Exchange restrictions and currency controls exist in relation of converting Tenge into other currencies. Currently, Tenge is not freely convertible outside of the Republic of Kazakhstan. Monetary assets and liabilities are translated into each entity's functional currency at the official exchange rate at the respective end of the reporting period. The official exchange rate of Kazakhstan Stock Exchange (KASE) as at 31 December 2023 was Tenge 454.56 per 1 US Dollar (2022: Tenge 462.65 per 1 US Dollar). Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities into each entity's functional currency at year-end official exchange rates are recognised in profit or loss statement as a separate line item. Note 13 provides additional information about foreign exchange gains and losses from financing activities (attributable to borrowings) and operating activities (all other foreign exchange gains and losses).

The results and financial position of the Group's foreign operation, which has financial statements with different functional currency, are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position are translated at the closing rate at the end of the respective reporting period;
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);
- components of equity are translated at the historic rate;
- all resulting exchange differences are recognised in other comprehensive income.

Translation at year-end does not apply to non-monetary items that are carried at historic costs.

Change in presentation

The management has decided to improve presentation of operating cash flows by disclosing cash flows from swap transactions separately from cash receipts from customers and cash payments to suppliers. Additionally operations on acquisition and redemption of short-term highly liquid instruments were presented on the net basis. The following amounts in the consolidated statement of cash flows for the year ended 31 December 2022 have been reclassified in accordance with the presentation applied in 2023 as follows:

In millions Tenge	**As originally presented**	**Reclassi-fication**	**As reclassified for 2022**
Receipts from customers	1,213,489	(129,617)	1,083,872
Receipts under swap transactions	-	129,617	129,617
Payments to suppliers	(677,658)	201,636	(476,022)
Payments under swap transactions	-	(201,636)	(201,636)
Cash flows from operating activities	**283,859**	**-**	**283,859**
Acquisition of short-term debt securities	(80,219)	80,219	-
Redemption of short-term debt securities	86,006	(80,219)	5,787
Cash flows from investing activities	**(10,893)**	**-**	**(10,893)**

4 Adoption of new or revised standards and interpretations

The following amendments became effective from 1 January 2023, but did not have any material impact on the Group:

- Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12 (issued on 7 May 2021).
- Amendment to IFRS 16 – Leases on sale and leaseback (issued on 20 September 2022).
- IFRS 17 - Insurance Contracts (issued At 18 May 2017 and effective for annual periods beginning on or after 1 January 2023). Amendments to IFRS 17 and an amendment to IFRS 4 (issued on 25 June 2020).
- Transition option for insurers applying IFRS 17 – Amendments to IFRS 17 (issued on 9 December 2021 and effective for annual periods beginning on or after 1 January 2023).
- Amendments to IAS 8 - Definition of Accounting Estimates (issued At 12 February 2021 and effective for annual periods beginning on or after 1 January 2023).

The Group has adopted Amendments to IAS 1 - Presentation of financial statements and IFRS Practice Statement 2 - Disclosure of Accounting policies (issued At 12 February 2021) and made corresponding changes in these financial statements.

Certain new standards and interpretations have been issued that are mandatory for annual periods beginning on or after 1 January 2024 or later, and which the Group has not early adopted. These are:

- Amendment to IFRS 16 – Leases on sale and leaseback (issued on 20 September 2022 and effective for annual periods beginning on or after 1 January 2024). The amendments relate to the sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to subsequently measure liabilities arising from the transaction and in a way that it does not recognise any gain or loss related to the right of use that it retained.
- Classification of liabilities as current or non-current, deferral of effective date – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended At 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on or after 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months. The guidance no longer requires such a right to be unconditional. The October 2022 amendment established that loan covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date.
- Amendments to IAS 7 - Statement of Cash Flows and IFRS 7 - Financial Instruments, Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023). In response to concerns of the users of financial statements about inadequate or misleading disclosure of financing arrangements, in May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require disclosure about entity’s supplier finance arrangements. These amendments require the disclosures of the entity’s supplier finance arrangements that would enable the users of financial statements to assess the effects of those arrangements on the entity’s liabilities and cash flows and on the entity’s exposure to liquidity risk.
- Amendments to IAS 21 - Lack of Exchangeability (Issued on 15 August 2023). In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

The Group is currently assessing the impact of the amendments on its financial statements.

5 Segment information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The CODM has been identified as the Management Board of the Group headed by the CEO.

(a) Description of products and services from which each reportable segment derives its revenue

The Group is a vertically integrated business involved in the production chain of end products – from geological exploration, mining of uranium and nuclear fuel production, to marketing and auxiliary services (transportation and logistics, procurement, research and other). The Group is organised on the basis of two main business segments:

- Uranium – uranium mining and processing from the Group's mines, purchases of uranium from joint ventures and associates, external sales and marketing of produced and purchased natural uranium, sales of enriched uranium. This segment includes the Group's share in the net results of joint ventures and associates engaged in uranium production, as well as the Group's head office (NAC Kazatomprom JSC);
- UMP (Ulba Metallurgical Plant JSC) – production and sales of products containing beryllium, tantalum and niobium, hydrofluoric acid and by-products, processing of uranium on tolling basis for the Group's uranium entities and production of uranium powders and pellets to external markets and its joint venture, Ulba-FA LLP.

The revenues and expenses of some of the Group's subsidiaries, which primarily provide services to the uranium segment (such as drilling, transportation, security and geological), are not allocated to the results of this operating segment. These Group's businesses are not included within reportable operating segments as their financial results do not meet the quantitative threshold. The results of these and other minor operations are included in the "Other" caption.

(b) Factors that management used to identify the reportable segments

The Group's segments are strategic business units that focus on different customers. They are managed separately because of the differences in the production processes, the nature of products produced and required marketing and investment strategies. Segment financial information reviewed by the CODM includes:

- information about income and expenses by business units (segments) based on IFRS figures on a quarterly basis;
- assets and liabilities as well as capital expenditures by segment on a quarterly basis;
- operating data (such as production and inventory volumes) and revenue data (such as sales volumes per type of product, average sales price) are also reviewed by the CODM on a monthly and quarterly basis.

(c) Measurement of operating segment profit or loss, assets and liabilities

The CODM evaluates performance of each segment based on gross and net profit. Segment financial information is prepared on the basis of IFRS financial information and measured in a manner consistent with that in these consolidated financial statements. Revenues from other segments include transfers of raw materials, goods and services from one segment to another, amount is determined based on market prices for similar goods.

5 Segment information (continued)

(d) Information about reportable segment profit or loss, assets and liabilities

Segment information for the reportable segments for the years ended 31 December 2023 and 2022 is set out below:

	Uranium		**UMP**		**Other**		**Eliminations**		**Total**	
In millions of Kazakhstani Tenge	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
External revenue	1,275,045	856,952	123,588	114,555	36,002	29,664	-	-	1,434,635	1,001,171
Revenues from other segments	*27,697*	*63,141*	*8,610*	*6,855*	*81,305*	*70,008*	*(117,612)*	*(140,004)*	-	-
Cost of sales	(565,339)	(409,158)	(104,752)	(94,672)	(111,122)	(97,190)	109,351	125,923	(671,862)	(475,097)
Gross profit	**737,403**	**510,935**	**27,446**	**26,738**	**6,185**	**2,482**	**(8,261)**	**(14,081)**	**762,773**	**526,074**
Net reversal/(impairment losses)	(16,120)	(22)	184	(297)	159	421	71	206	(15,706)	308
Share of results of associates and joint ventures	90,633	89,442	5,677	(1,748)	2,075	1,382	-	-	98,385	89,076
Net foreign exchange gain	(20,194)	16,625	(1,133)	672	(3)	7	-	-	(21,330)	17,304
Finance income	38,975	15,626	1,168	743	1,363	958	-	-	41,506	17,327
Finance expense	(8,223)	(6,754)	(1,291)	(1,447)	(133)	(332)	58	108	(9,589)	(8,425)
Income tax expense	(142,962)	(105,947)	(4,119)	(4,165)	(926)	(630)	-	-	(148,007)	(110,742)
Profit/(loss) for the year	**561,123**	**467,382**	**17,976**	**12,803**	**3,677**	**(2,920)**	**(2,441)**	**(4,302)**	**580,335**	**472,963**
Depreciation and amortisation charge	**(92,938)**	**(77,951)**	**(2,281)**	**(2,066)**	**(5,133)**	**(4,914)**	**5,190**	**3,553**	**(95,162)**	**(81,378)**

5 Segment information (continued)

Segment information for the reportable segments for the years ended 31 December 2023 and 2022 is set out below (continued):

	Uranium		UMP		Other		Eliminations		Total	
In millions of Kazakhstani Tenge	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Investments in associates and joint ventures	189,777	186,961	6,634	957	12,440	10,414	-	-	208,851	198,332
Total reportable segment assets	**2,898,691**	**2,361,914**	**119,314**	**155,011**	**109,735**	**89,774**	**(528,820)**	**(385,016)**	**2,598,920**	**2,221,683**
Assets of disposal groups classified as held for sale	-	-	-	-	372	850	-	-	372	850
Total assets	**2,898,691**	**2,361,914**	**119,314**	**155,011**	**110,107**	**90,624**	**(528,820)**	**(385,016)**	**2,599,292**	**2,222,533**
Total liabilities	**1,060,152**	**813,577**	**25,641**	**71,798**	**34,408**	**25,957**	**(529,176)**	**(385,302)**	**591,025**	**526,030**
Capital expenditure	**94,767**	**76,263**	**4,642**	**4,794**	**10,473**	**8,123**	**-**	**-**	**109,882**	**89,180**

Capital expenditure represents additions to non-current assets other than financial instruments, deferred tax assets, post-employment benefits assets and rights arising under insurance contracts.

5 Segment information (continued)

(e) Analysis of revenues by products and services

The Group's revenues are analysed by products and services in Note 7. Information about finance income and costs is disclosed in Note 15.

(f) Geographical information

The Group's main assets are located in the Republic of Kazakhstan. Distribution of the Group's sales between countries on the basis of the customer's country of domicile was as follows:

In millions of Kazakhstani Tenge	**2023**	**2022**
China	522,521	272,291
Russia	215,042	87,877
Kazakhstan	182,574	109,595
USA	152,462	112,590
Canada	131,135	160,278
France	82,648	68,054
United Kingdom (including Jersey and Cayman Islands)	40,633	150,427
Other countries	107,620	40,059
Total consolidated revenues	**1,434,635**	**1,001,171**

Major customers

The Group has a group of customers under common control that accounts for more than 10% of the Group's consolidated revenue. This revenue in the amount of Tenge 526,684 million (2022: Tenge 345,696 million) is reported under the Uranium segment mainly.

6 Balances and transactions with related parties

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, management has regard to the substance of the relationship, not merely the legal form.

Entities under common control include companies under control of SWF Samruk-Kazyna JSC. Transactions with other government owned entities are not disclosed when they are entered into in the ordinary course of business with terms consistently applied to all public and private entities, when they are not individually significant, if the Group's services are provided on standard terms available for all customers, or where there is no choice of supplier of services such as electricity transmission services and telecommunications. In accordance with IAS 24.26 the Group discloses only individually significant transactions and qualitative and quantitative indication of other collectively, but not individually significant transactions with government and state owned entities. Detailed description of such significant transactions is presented in Note 26, 34.

At 31 December 2023, the outstanding balances with related parties were as follows:

In millions of Kazakhstani Tenge	**Accounts receivable and other assets**	**Other financial assets**	**Accounts payable and other liabilities**	**Loans and borrowings**
Associates	3,657	2,502	59,037	3,506
Joint ventures	57,115	-	26,951	-
Entities under common control	274	-	1,154	-
Controlling shareholder	-	-	7	-
Associates of the controlling shareholder	-	-	1,392	-
Other government owned entities	1	9,112	-	-
Total	**61,047**	**11,614**	**88,541**	**3,506**

6 Balances and transactions with related parties (continued)

Transactions with related parties for the year ended 31 December 2023 were as follows:

In millions of Kazakhstani Tenge	Sale of goods and services	Dividends received	Purchase of goods and services	Dividends to the Shareholder	Finance and other income	Payments to budget
Associates	14,258	77,907	169,305	-	397	4
Joint ventures	162,318	9,959	57,601	-	-	-
Entities under common control	89	-	13,642	-	528	-
Controlling shareholder	-	-	-	150,728	-	-
Associates of the controlling shareholder	-	-	6,740	-	-	-
Other government owned entities	46	-	118	-	3,126	11,404
Total	**176,711**	**87,866**	**247,409**	**150,728**	**4,051**	**11,408**

From December 2015, JV Khorasan-U LLP (over which the Group obtained control in 2019) is a co-borrower and guarantor of a loan to Kyzylkum LLP given by the Company in 2010 in the amount of Tenge 2,502 million (2022: Tenge 5,933 million).

The Group is a guarantor for loan obtained by Ulba-FA LLP in the amount of Tenge 16,096 million (2022: Tenge 17,072 million) (Note 35).

In 2023 the Group transfers obligatory pension payments for its employees to the state-owned Unified Accumulative Pension Fund JSC in the amount of Tenge 9,328 million (2022: Tenge 7,543 million) (Note 14). Corporate income tax (Note 16) as well as other taxes, penalties and fines are also transferred to the state (Note 8-10).

At 31 December 2022, the outstanding balances with related parties were as follows:

In millions of Kazakhstani Tenge	Accounts receivable and other assets	Other financial assets	Accounts payable and other liabilities	Loans and borrowings
Associates	4,447	5,933	43,703	7,002
Joint ventures	6,559	94	48,428	-
Entities under common control	362	-	1,119	-
Controlling shareholder	-	-	17	-
Associates of the controlling shareholder	12	-	1,236	-
Other government owned entities	17	9,274	1	-
Total	**11,397**	**15,301**	**94,504**	**7,002**

Transactions with related parties for the year ended 31 December 2022 were as follows:

In millions of Kazakhstani Tenge	Sale of goods and services	Dividends received	Purchase of goods and services	Dividends to the Shareholder	Finance and other income	Payments to budget
Associates	12,321	38,503	152,580	-	699	9
Joint ventures	53,111	6,934	39,490	-	28	-
Entities under common control	41	-	11,582	-	337	-
Controlling shareholder	-	-	-	170,541	-	1
Associates of the controlling shareholder	150	-	13,041	-	-	-
Other government owned entities	43	-	53	-	753	7,310
Total	**65,666**	**45,437**	**216,746**	**170,541**	**1,817**	**7,320**

6 Balances and transactions with related parties (continued)

Key management personnel are represented by personnel with authority and responsibility in planning, management and control of the Group's activities, directly or indirectly. Key management personnel include all members of the Management Board and the members of the Board of Directors. The table below represents remuneration of the key management personnel, paid by the Group in exchange for services provided. This remuneration includes salaries, bonuses, as well as associated taxes and payments. No remuneration is paid or payable to representatives of the Controlling shareholder in the Board of Directors.

	2023		2022	
In millions of Kazakhstani Tenge	**Expense**	**Accrued liability**	**Expense**	**Accrued liability**
Short-term benefits				
Salaries and bonuses	913	39	983	55
Total	**913**	**39**	**983**	**55**

7 Revenue

The Group's revenue arises from contracts with customers where performance obligations are satisfied mostly at a point in time.

In millions of Kazakhstani Tenge	**2023**	**2022**
Sales of natural uranium	1,180,722	851,427
Sales of enriched uranium	91,218	-
Sales of uranium products	60,580	57,806
Sales of beryllium products	31,857	31,986
Sales of tantalum products	27,061	23,171
Sales of purchased goods	14,607	15,164
Sales of other services	11,605	11,147
Drilling services	8,842	3,730
Transportation services	4,701	3,586
Sales of materials and other goods	3,222	2,815
Research and development	220	339
Total revenue	**1,434,635**	**1,001,171**

The most significant factors that affected the Group's results of operations during the year included:

- Since 2022 the Group sells uranium tablets to Ulba-FA LLP that are produced at Group premises from produced uranium enriched at third parties, the amount of such sales was Tenge 50,633 million (2022: Tenge 43,566 million). In the middle of 2023 the Group and Ulba-FA LLP changed the sales agreement terms, now the Group sells enriched uranium and uranium tablets production services to Ulba-FA LLP. In 2023 the Group sold Tenge 91,218 million of enriched uranium.
- An 10% increase of natural uranium sales volumes compared to 2022 due to additional customer supply requests under new and existing contracts. Sales volumes may vary from year to year due to differences in customer delivery schedules and requests throughout the year and actual physical deliveries.
- A 27% increase in the average selling price compared to 2022 (USD 55.09 versus USD 43.44) due to an increase in spot price for natural uranium. The Group's current portfolio of natural uranium sale contracts is linked to uranium spot price; however, some contracts that the Group executed several years ago contained price ceilings and other arrangments that limit effective price. As a result increase in the Group's average selling price was lower than increase in the market natural uranium spot price.

Liabilities under contracts with customers

As at 31 December 2022 current liabilities under contracts with related party customers included advances for uranium products in the amount of Tenge 35,082 million under contracts with Ulba-FA LLP, which the Group recognised as revenue during 2023 (Note 34).

7 Revenue (continued)

Material accounting policies and significant judgements

Revenue is defined as income arising in the course of the Group's ordinary activities. Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties. Revenue is recognised net of discounts, returns and value added taxes, export duties and other similar mandatory payments.

(i) Sales of goods (uranium, tantalum, beryllium, niobium and other products)

Sales are recognised when control of the good has transferred, being when the goods are delivered to the customer, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been delivered to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from the sales with discounts is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with an average credit term of 30-270 days, which is consistent with market practice. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Delivery of uranium, tantalum and beryllium products vary depending on the individual terms of a sale contract usually in accordance with the Incoterms classification. Delivery of uranium products occurs at the date of physical delivery in accordance with Incoterms or at the date of book-transfer to an account with a convertor specified by the customer. A book-transfer operation represents a transaction whereby the uranium account balance of the transferor is decreased with a simultaneous allocation of uranium to the transferee's uranium account with the same specialised conversion / reconversion entity.

(ii) Sales of services (transportation, drilling and other)

The Group may provide services under fixed-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Swap transactions (judgements)

The Group sells part of its uranium products under swap transactions with separate agreements with the same counterparty, being for sales and purchase of the same volume of uranium for the same price at different delivery points or different timeframes. Effectively, this results in the exchange of own uranium (produced or purchased from the Group's entities) with purchased uranium.

Normally, under a swap transaction, the Group delivers physical uranium to one destination point, and purchases the same volume of uranium at a third-party converter for sale to end customers. Swap transactions are entered into primarily to reduce transportation costs for uranium delivery from Kazakhstan to end customers.

Despite the fact that swap agreements are not formally related to each other, management concluded that these transactions are in substance linked and would not have occurred on an isolated basis, driven by the existing market demand and supply forces. In management's view, supply of the same volume of homogeneous product (uranium) for the same price represents an exchange of products, which should be presented on a net basis in the consolidated financial statements, reflecting the economic substance of the transaction. Interpretation of terms and approach to the accounting for swap transactions requires judgement.

In 2023, the Group did not recognise sales revenue from swap transactions of Tenge 139,322 million (2022: Tenge 195,958 million) and related cost of sales of Tenge 149,209 million (2022: Tenge 207,789 million). The Group has also increased other accounts receivable for Tenge 72,978 million (Note 25), accounts payable for Tenge 31,215 million (Note 33) with net effect impacting inventories. Given that swap agreements require cash payments, accounts receivable represent cash receipts expected for purchased and paid uranium under swap agreement, accounts payable represent expected cash payments for sold uranium under swap agreement, where accounts receivable was repaid by the counterparty.

7 Revenue (continued)

In 2022 the Group has recognised liabilities under swap agreement for Tenge 4,709 million (Note 34) and inventory for Tenge 5,627 million with net effect impacting retained earnings. Liability under swap agreement is a non-financial obligation to return uranium that was already sold to third party.

Purchase and sales agreements assume cash transfers on a regular payment terms, similar to contracts with customers. The Group presents cash receipts as “receipts under swap transactions” and cash payments as “payments under swap transactions”.

Enrichment of natural uranium (judgements)

The Group purchases uranium enrichment services from Uranium Enrichment Center JSC (UEC) in Russia. The transaction is structured as two separate agreements. Group sells natural uranium and purchases enriched uranium from UEC. Despite agreements with UEC are not formally related, the management concluded that these transactions are in substance linked and would not have occurred on an isoldated basis. Effectively, this results in the sales of uranium with an obligation to repurchase it in the form of enriched uranium, in accordance with IFRS 15 requirements no revenue from sales of uranium to UEC should be recognised, reflecting the economic substance of the transaction. Interpretation of terms and approach to the accounting for transactions with UEC requires judgement. The cost of enrichment services included in cost of sales in the amount of Tenge 40,643 million (2022: Tenge 13,363 million) in process and other services line item (Note 8).

Purchase and sales agreements with UEC assumed cash transfers, starting from 2023 the Group changed the contract terms to settle cash transfers on a net basis.

8 Cost of sales

In millions of Kazakhstani Tenge	**2023**	**2022**
Materials and supplies	364,841	261,825
Depreciation and amortisation	92,824	79,037
Processing and other services	71,126	31,361
Payroll costs	61,886	49,348
Taxes other than income tax	55,868	32,216
Transportation expenses	6,780	5,787
Maintenance and repair	5,475	5,082
Utilities	1,714	1,678
Rent expenses	413	234
Other	10,935	8,529
Total cost of sales	**671,862**	**475,097**

An increase in the cost of materials and supplies resulted from an increase in spot price of natural uranium and sulfuric acid as well as increase in sales volumes.

9 Distribution expenses

In millions of Kazakhstani Tenge	**2023**	**2022**
Shipping, transportation and storage	22,408	20,331
Payroll costs	1,916	1,744
Commissions	917	952
Rent	385	214
Materials and supplies	170	199
Depreciation and amortisation	93	56
Other	2,962	2,109
Total distribution expenses	**28,851**	**25,605**

10 General and administrative expenses

In millions of Kazakhstani Tenge	2023	2022
Payroll costs	22,199	20,594
Compensation payment for uranium mined without license	11,404	7,310
Consulting and information services	5,382	5,196
Other provisions (Note 32)	4,679	-
Depreciation and amortisation	2,059	2,110
Fines and penalties	689	2,068
Business trip expenses	638	497
Insurance	609	822
Training expenses	523	416
Communication	475	509
Rent	454	460
Other	3,999	4,525
Total general and administrative expenses	**53,110**	**44,507**

The PwC network of companies provided the Group with the following audit and non-audit services (net of VAT):

In millions of Kazakhstani Tenge	2023	2022
Audit services	469	434
Non-audit services	115	74
Total services provided	**584**	**508**

Compensation payment for uranium mined without license

Compensation payment relates to uranium mined at Zhalpak field of MC Ortalyk LLP and block of Budenovskoye field of JV Akbastau JSC (Note 37).

In October 2017, the Group obtained a contract for uranium exploration at Zhalpak field for a period up to 31 May 2018. In May 2018, the Ministry of Energy of the Republic of Kazakhstan agreed to extend the exploration period under the contract until 31 December 2022 for performing evaluation works. However, the approval process by the Ministry of Energy of the Republic of Kazakhstan was delayed. In April 2020 MC Ortalyk LLP stopped all work and test production at the mine. In December 2021 the Group received subsoil use rights. The volume of uranium mined at Zhalpak field during the period from June 2018 to April 2020 amounted to 162 tons. On 15 August 2023 the Group paid a compensation of Tenge 11,404 million to the Government for this volume of uranium based on the decision of the Energy Council of the President of the Republic of Kazakhstan.

JV Akbastau JSC has been involved in negotiations with the regulator over an extended period to update the contract terms of the subsoil use contract No. 2488 dated 20 November 2007, and during such discussions the regulator has determined that JV Akbastau JSC exceeded the allowed production volume indicated in the subsoil use contract. In 2021 the Group reached a draft agreement with the regulator which was to provide social support to the Turkistan region in the amount of Tenge 3,000 million as a compensation for the breach of license terms. However, in 2022 the regulator rejected the draft agreement and reassessed the amount payable to be compensation for the overproduction of uranium in the amount of Tenge 7,310 million. The compensation was determined as the fair value of 249 tons of overproduced uranium based on current uranium spot prices. On 30 December 2022 JV Akbastau JSC signed addendum No. 4 to the subsoil use contract No. 2488 and paid the compensation.

11 Net (impairment losses)/reversal of impairment losses on financial assets

Impairment losses for the following financial assets:

In millions of Kazakhstani Tenge	2023	2022
Accounts receivable (Note 25)	(15,961)	5
Other assets	26	127
Net (impairment losses)/reversal of impairment losses on financial assets	**(15,935)**	**132**

In December 2023 the Group delivered uranium concentrates to Dioxitek S.A., Argentina. The government of Argentina introduced new requirements to import operations, incurred prior to 12 December 2023, which may only be settled by means of government bonds sales that will provide sufficient amount of US dollars for Dioxitek S.A. to pay its labilities. The Group expects difficulties with the payment from Dioxitek S. A, thus, 100% provision on the overdue amount of Tenge 15,692 million was accrued. The management of the Group will resume negotiations with Dioxitek S.A. on debt repayment.

12 Other income

In millions of Kazakhstani Tenge	**2023**	**2022**
Gain from fines and penalties	1,503	306
Income from investment property	383	-
Income from disposal of property, plant and equipment	360	1,384
Income from an associate development agreement	-	7,671
Gain from joint operations	-	4,217
Reversal of social expenses (Note 10)	-	3,000
Insurance receipt	-	1,981
Income from a joint venture development agreement	-	985
Other	2,228	2,173
Total other income	**4,474**	**21,717**

On 11 August 2022 participants of JV KATCO LLP (Note 23) made amendments to the partnership agreement on further development of JV KATCO LLP dated 10 April 2017, under which the Group became entitled to compensation in the amount of Tenge 7,671 million from the second participant, which was recognised as income in 2022 and other receivables (Note 25).

13 Other expenses and net foreign exchange (loss)/gain

In millions of Kazakhstani Tenge	**2023**	**2022**
Revaluation of inventory loans, net (Note 34)	37,977	1,906
Expenses from joint operations	3,426	-
Social expenses	1,299	1,130
Research expenses	806	887
Loss on suspension of production	674	1,126
Loss on disposal of property, plant and equipment	434	175
Non-recoverable VAT	410	620
Depreciation and amortisation	186	175
Loss on disposal of intangible assets	106	93
Other	4,892	3,452
Total other expenses	**50,210**	**9,564**

Expenses from joint operations

During the current period he Group fulfilled its obligations under joint operations agreements to purchase equal amounts of uranium for 2023 and 2022, however, volatility in exchange rates and spot prices resulted in disproportionate Tenge contributions by each participant and recognition of expense of Tenge 3,426 million by the Group. In 2022 the Group has recognised income from joint operations for Tenge 4,217 million (Note 12).

Net foreign exchange (loss)/gain

In millions of Kazakhstani Tenge	**2023**	**2022**
Foreign exchange (loss)/gain on financing activities, net	748	(4,758)
Foreign exchange (loss)/gain on operating activities, net	(22,078)	22,062
Total foreign exchange (loss)/gain, net	**(21,330)**	**17,304**

14 Payroll costs

In millions of Kazakhstani Tenge	2023	2022
Wages and salaries	109,222	89,208
Including Pension contributions	*9,328*	*7,543*
Social tax and social payments	12,964	10,427
Total payroll costs	**122,186**	**99,635**

Material accounting policies and significant judgements

Wages, salaries, contributions to pension and social insurance funds, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the employees of the Group. In this case, the Group applies the defined contribution plans scheme. In accordance with the legal requirements of the Republic of Kazakhstan, the Group withholds pension contributions from employees' salary and transfers them into the United pension fund. Upon retirement of employees, all pension payments are administered by the united pension fund. The Group does not have any legal or constructive obligation to pay additional contributions other than pension contributions withheld from the salaries of the Group's employees.

15 Finance income and costs

In millions of Kazakhstani Tenge	2023	2022
Interest income calculated using the effective interest rate		
Cash and cash equivalents	16,590	10,433
Debt securities	8,604	1,262
Loans at amortised cost	397	699
Term deposits	55	111
Other financial income		
Revaluation of other investments (Note 26)	13,658	4,699
Other	2,202	123
Total finance income	**41,506**	**17,327**
Finance costs		
Unwinding of discount on provisions	4,853	2,892
Interest expense on loans and borrowings	3,753	3,689
Other	983	1,844
Total finance costs	**9,589**	**8,425**

Material accounting policies

Interest income on financial assets at amortised cost, other than those at FVTPL, is recorded on an accrual basis using the effective interest method and recognised in the profit or loss as part of finance income. This method defers, as part of interest income, all fee received between the parties to the contract that are an integral part of the effective interest rate, all other premiums or discounts. Interest income on debt instruments at FVTPL calculated at nominal interest rate is presented within 'finance income' line in profit or loss.

16 Income tax expense

(a) Components of income tax expense

Income tax expense recorded in profit or loss comprises the following:

In millions of Kazakhstani Tenge	2023	2022
Current income tax	157,610	118,853
Deferred income tax	(9,603)	(8,111)
Total income tax expense	**148,007**	**110,742**

The income tax rate applicable to the majority of the Group's profits in 2023 and 2022 is 20%.

(b) A reconciliation between the expected and the actual taxation charge is provided below:

In millions of Kazakhstani Tenge	2023	2022
Profit before tax	728,342	583,705
Theoretical tax charge at statutory tax rate of 20%	145,668	116,741
Prior periods adjustments of income tax	480	2,065
Transfer pricing adjustment	15,666	7,298
Withholding tax on dividend payments	539	677
Share of results of joint ventures and associates	(19,677)	(17,815)
Other items	5,331	1,776
Income tax expense	**148,007**	**110,742**

The Group assesses compliance of sales transactions with transfer pricing requirements and makes additional corporate income tax accruals on an annual basis, if necessary.

(c) Deferred taxes analysed by type of temporary difference

Differences between IFRS and statutory taxation regulations in Kazakhstan give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below at 20%.

In millions of Kazakhstani Tenge	1 January 2023	Credited/ (charged) to profit or loss	Exchange differences arising on translation of entities with foreign functional currency	31 December 2023
Tax effect of deductible/(taxable) temporary differences				
Property, plant and equipment, intangible assets and mineral rights	(119,042)	6,366	(2)	(112,678)
Accounts receivable	(372)	(1,828)	-	(2,200)
Loans and borrowings	12	157	-	169
Accounts payable	-	3,184	-	3,184
Provisions	24	1,354	14	1,392
Accrued liabilities on vacation payments and bonuses	2,267	352	(1)	2,618
Taxes	1,827	1,549	-	3,376
Inventories	32,419	(5,691)	-	26,728
Other assets	247	(3,588)	-	(3,341)
Other liabilities	325	7,748	-	8,073
	(82,293)	**9,603**	**11**	**(72,679)**
Recognised deferred tax asset	34,515	(727)	14	33,802
Recognised deferred tax liabilities	(116,808)	10,330	(3)	(106,481)

16 Income tax expense (continued)

Management estimates that investments in subsidiaries, associates and joint ventures will be recovered primarily through dividends. Dividends from subsidiaries, associates and joint ventures are not taxable, accordingly the Group did not recognise deferred tax on undistributed earnings from investments.

The tax effect of the movements in the temporary differences for the year ended 31 December 2022 is:

In millions of Kazakhstani Tenge	1 January 2022	Credited/ (charged) to profit or loss	Exchange differences arising on translation of entities with ɔreign functional currency	31 December 2022
Tax effect of deductible/(taxable) temporary differences				
Property, plant and equipment, intangible assets and mineral rights	(123,495)	4,442	11	(119,042)
Accounts receivable	(208)	(164)	-	(372)
Loans and borrowings	3	9	-	12
Provisions	1,572	(1,548)	-	24
Accrued liabilities on vacation payments and bonuses	1,663	604	-	2,267
Taxes	1,509	318	-	1,827
Inventories	28,076	4,347	(4)	32,419
Other assets	158	88	1	247
Other liabilities	310	15	-	325
	(90,412)	**8,111**	**8**	**(82,293)**
Recognised deferred tax asset	30,689	3,818	8	34,515
Recognised deferred tax liabilities	(121,101)	4,293	-	(116,808)

In the context of the Group's structure, tax losses of different Group companies may not be offset against current tax liabilities and taxable profits of other Group companies and, accordingly, taxes may accrue even where there is a consolidated tax loss. Therefore, deferred tax assets and liabilities are offset only when they relate to the same taxable entity.

The Group has not recognised deferred tax assets in respect of unused tax loss carry forwards of Tenge 1,596 million in 2023 (2022: Tenge 1,274 million) and excluded from the calculation the tax losses for the enterprises sold in 2023 with unrecognized tax losses. The tax loss carryforwards expire as follows:

In millions of Kazakhstani Tenge	2023	2022
2030	-	470
2031	470	804
2032	804	-
2033	322	-
Total unrecognised deferred tax asset on tax losses	**1,596**	**1,274**

Material accounting policies and significant judgements

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods using tax rates enacted or substantively enacted at the reporting date, and any adjustment in respect of previous years.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to the same tax authority on the same taxable entity, if there is an intention to settle current tax liabilities and assets on a net basis or tax assets and liabilities will be realised simultaneously.

16 Income tax expense (continued)

The Group's uncertain tax positions are reassessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted by the end of the reporting period, and any known court or other rulings on such issues.

Liabilities for penalties, interest and taxes other than on income are recognised based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

17 Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company by the number of ordinary shares in issue during the year (Note 30). The Company has no dilutive potential ordinary shares, therefore, the diluted earnings per share equals the basic earnings per share. Earnings per share from continuing operations is calculated as follows:

In millions of Kazakhstani Tenge	**2023**	**2022**
Profit for the year for the year attributable to owners of the Company (in millions of Kazakhstani Tenge)	419,184	348,048
Number of ordinary shares (in thousands)	259,357	259,357
Earnings per share attributable to the owners of the Company, basic and diluted (rounded to Tenge)	1,616	1,342

The Group issued bonds which are included in the official list of Kazakhstan Stock Exchange JSC (hereinafter - the "KASE"). The Company is required to present information on the book value of one share calculated in accordance with the KASE Listing Rules.

Book value per share is calculated as follows:

In millions of Kazakhstani Tenge	**2023**	**2022**
Total assets of the Group (in millions Tenge)	2,599,292	2,222,533
Intangible assets (in millions Tenge)	(60,156)	(59,159)
Total liabilities of the Group (in millions Tenge)	(591,025)	(526,030)
	1,948,111	**1,637,344**
Number of ordinary shares (in thousands)	259,357	259,357
Book value of one share (Tenge per share)	7,511	6,313

Material accounting policies and significant judgements

Earnings per share are determined by dividing profit or loss attributable to the Company's shareholders by the weighted average number of participating shares outstanding during the reporting year, adjusted for stock splits.

18 Intangible assets

In millions of Kazakhstani Tenge	**Licences and patents**	**Software**	**Goodwill**	**Other**	**Total**
At 1 January 2022					
Cost	2,524	13,466	54,953	3,055	73,998
Accumulated amortisation and impairment	(1,345)	(5,870)	(6,459)	(1,384)	(15,058)
Carrying value	**1,179**	**7,596**	**48,494**	**1,671**	**58,940**
Additions	136	345	-	908	1,389
Disposals	(328)	(784)	-	(259)	(1,371)
Amortisation charge	(284)	(875)	-	(110)	(1,269)
Other	1,026	(928)	-	1,372	1,470
At 31 December 2022					
Cost	3,069	11,321	54,953	4,819	74,162
Accumulated amortisation and impairment	(1,340)	(5,967)	(6,459)	(1,237)	(15,003)
Carrying value	**1,729**	**5,354**	**48,494**	**3,582**	**59,159**
Additions	187	596	-	1,279	2,062
Disposals	(22)	(1,064)	-	(15)	(1,101)
Amortisation charge	(298)	(982)	-	(115)	(1,395)
Other	37	1,262	-	132	1,431
At 31 December 2023					
Cost	3,249	11,141	54,953	6,215	75,558
Accumulated amortisation and impairment	(1,616)	(5,975)	(6,459)	(1,352)	(15,402)
Carrying value	**1,633**	**5,166**	**48,494**	**4,863**	**60,156**

MC Ortalyk LLP, JV Akbastau JSC and Karatau LLP

Goodwill relates to prior period business combinations of MC Ortalyk LLP in the amount of Tenge 5,166 million, Karatau LLP of Tenge 24,808 million and JV Akbastau JSC of Tenge 18,520 million. At least annually, goodwill is tested for impairment at the level of a corresponding cash generating unit (the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets).

The Group has identified each mine (contract territory) as a separate cash-generating unit unless several mines are technologically connected with single processing plant in which case the Group considers such mines as one cash-generating unit. The carrying value of goodwill applicable to each of the entities was allocated to their respective cash generating units, Central Mynkuduk mine (Central block) and separate blocks of Budenovskoye mine (Note 1) for MC Ortalyk LLP and Karatau LLP, JV Akbastau JSC, respectively.

The recoverable amount was determined on a value in use basis, cash flows forecasts were based on approved reserves, estimated production volumes, subsurface use contracts periods and a pre-tax discount rate of 18.59% for 2023 year (2022: 19.03%).

Production volumes are consistent with those agreed with the competent authority and independent consultant's report and are based on the production capacity of the cash-generating units. Key assumptions used in calculations include forecast sales prices, production volumes. Sales prices used in developing forecasted cash flows were based on annual spot and long-term base price projections (denominated in US Dollar per pound of uranium) published by UxC LLC in the fourth quarter of 2023.

Production costs and capital expenditures are based on approved business plans for 2024-2028 and growth of 6.39% which approximates long-term average inflation rates. The estimated values in use significantly exceed the carrying amounts of the non-current assets of the three cash-generating units, including goodwill, and therefore even reasonably possible changes in key assumptions would not lead to impairment losses being recognised.

19 Property, plant and equipment

Movements in the carrying amount of property, plant and equipment were as follows:

In millions of Kazakhstani Tenge	Land	Railway infra-structure	Buildings	Machinery and equipment	Vehicles	Other	Const-ruction in progress	Total
At 1 January 2022								
Cost	407	2,035	139,246	95,311	24,560	7,048	13,960	282,567
Accumulated depreciation and impairment	-	(1,035)	(43,300)	(48,232)	(13,619)	(4,226)	(668)	(111,080)
Carrying amount	**407**	**1,000**	**95,946**	**47,079**	**10,941**	**2,822**	**13,292**	**171,487**
Additions	17	-	107	7,334	5,225	431	11,011	24,125
Transfers	-	38	1,941	1,150	43	104	(3,276)	-
Depreciation charge	-	(89)	(5,633)	(6,742)	(1,934)	(732)	-	(15,130)
Changes in estimate (Note 32)	-	-	8,630	585	-	-	-	9,215
Other	-	-	262	524	80	(1)	(2,262)	(1,397)
At 31 December 2022								
Cost	424	2,073	150,996	101,960	28,082	7,446	19,833	310,814
Accumulated depreciation and impairment	-	(1,124)	(49,743)	(52,030)	(13,727)	(4,822)	(1,068)	(122,514)
Carrying amount	**424**	**949**	**101,253**	**49,930**	**14,355**	**2,624**	**18,765**	**188,300**
Additions	11	1	987	10,005	6,273	815	6,569	24,661
Transfers	-	-	1,999	3,892	151	52	(6,094)	-
Reclassification from mine development assets (Note 20)	-	-	2,803	-	-	-	-	2,803
Depreciation charge	-	(91)	(5,888)	(7,559)	(2,341)	(827)	-	(16,706)
Changes in estimate (Note 32)	-	-	(1,685)	(496)	-	-	-	(2,181)
Other	(31)	-	158	(50)	(14)	7	(1,500)	(1,430)
At 31 December 2023								
Cost	404	2,074	154,903	113,170	34,051	8,136	18,576	331,314
Accumulated depreciation and impairment	-	(1,215)	(55,276)	(57,448)	(15,627)	(5,465)	(836)	(135,867)
Carrying amount	**404**	**859**	**99,627**	**55,722**	**18,424**	**2,671**	**17,740**	**195,447**

At 31 December 2023, the Group had contractual capital expenditure commitments in respect of property, plant and equipment of Tenge 3,966 million (2022: Tenge 5,310 million).

At 31 December 2023, the gross carrying value of fully depreciated property, plant and equipment still in use was Tenge 38,006 million (2022: Tenge 34,870 million).

Depreciation and amortisation charged on long-term assets for the years ended 31 December are as follows:

In millions of Kazakhstani Tenge	2023	2022
Mine development assets	55,991	42,045
Mineral rights	28,612	28,237
Property, plant and equipment	16,706	15,130
Intangible assets	1,395	1,269
Right-of-use assets	16	19
Total accrued depreciation and amortisation	**102,720**	**86,700**

Depreciation and amortisation charged to profit or loss for the years ended 31 December are as follows:

In millions of Kazakhstani Tenge	2023	2022
Cost of sales	92,824	79,037
General and administrative expenses	2,059	2,110
Distribution expenses	93	56
Other expenses	186	175
Total depreciation and amortisation charged to profit or loss	**95,162**	**81,378**

19 Property, plant and equipment (continued)

Material accounting policies and significant judgements

Property, plant and equipment are stated at cost, less accumulated depreciation and provision for impairment, where required. The individual significant parts of an item of property, plant and equipment (components) with useful lives different from the useful lives of the given asset as a whole are depreciated individually, applying depreciation rates reflecting their anticipated useful lives.

(i) Depreciation

Land is not depreciated. Depreciation of items within buildings category that are used in extraction of uranium and its preliminary processing is charged on a unit-of-production (UoP) method in respect of items for which this basis best reflects the pattern of consumption. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives:

	Useful lives in years
Buildings	10 to 50
Machinery and equipment	3 to 50
Vehicles	3 to 10
Other	3 to 20

Each item's estimated useful life depends on its own useful life limitations and/or term of a subsurface use contract and the present assessment of economically recoverable reserves of the mine property at which the item is located. Since 2017, the Group uses reserve reports prepared by an independent consultant (Note 21).

20 Mine development assets

In millions of Kazakhstani Tenge	**Field preparation**	**Site restoration costs**	**Ion exchange resin**	**Total**
At 1 January 2022				
Cost	317,560	13,532	18,757	349,849
Accumulated depreciation and impairment	(200,129)	(4,457)	(6,590)	(211,176)
Carrying amount	**117,431**	**9,075**	**12,167**	**138,673**
Third-party services	43,649	-	-	43,649
Material used	16,238	-	966	17,204
Transfer from property, plant and equipment	2,789	-	-	2,789
Depreciation charge	(40,940)	(590)	(515)	(42,045)
Changes in accounting estimates (Note 32)	693	1,211	-	1,904
At 31 December 2022				
Cost	380,929	14,743	19,723	415,395
Accumulated depreciation and impairment	(241,069)	(5,047)	(7,105)	(253,221)
Carrying amount	**139,860**	**9,696**	**12,618**	**162,174**
Third-party services	43,244	-	-	43,244
Material used	36,609	-	741	37,350
Transfer from/to property, plant and equipment	1,584	(1,633)	-	(49)
Transfer from Exploration and Evaluation Assets (Note 22)	2,716	-	-	2,716
Disposals	(9)	-	-	(9)
Depreciation charge	(54,350)	(1,037)	(604)	(55,991)
Depreciation on disposals	9	-	-	9
Changes in accounting estimates (Note 32)	(1,811)	(417)	-	(2,228)
At 31 December 2023				
Cost	463,262	12,693	20,464	496,419
Accumulated depreciation and impairment	(295,410)	(6,084)	(7,709)	(309,203)
Carrying amount	**167,852**	**6,609**	**12,755**	**187,216**

20 Mine development assets (continued)

Estimated site restoration costs are capitalised when the Group recognises a provision for site restoration. The carrying value of the provision and site restoration assets is reassessed at each reporting period end (Notes 32).

Material accounting policies and significant judgements

Mine development assets are stated at cost, less accumulated depreciation and provision for impairment, where required. Mine development assets comprise reclassified exploration and evaluation costs, the capitalised costs of pump-in and pump-out well drilling, main external tying of the well with surface piping, equipment, measuring instruments, ion-exchange resin, estimated site restoration, acid costs and other development costs. Under existing production method, the wellfields are progressively established over the orebody as uranium is depleted by blocks.

Mine development assets are amortised at the mine level using the unit-of-production method based on carrying value of the asset. Unit-of-production rates are based on proved and probable reserves for reclassified exploration and evaluation assets, while capitalised development costs that are amortised based on ready for extraction volumes. Ready for extraction volumes represent a portion of proved and probable reserves that management estimates to extract from a mine as a result of available capitalised costs.

The estimate of proved and probable reserves is based on reserve reports which are an integral part of each subsoil use contract. These reserve reports are incorporated into feasibility models which are approved by the government and detail the total proven reserves and estimated scheduled extraction by year. Since 2017, the Group uses reserve reports prepared by an independent consultant (Note 21).

In 2023 the Group unified depreciation method for capitalised developments costs across all mining entities because technological blocks into which mines are conventionally divided (and based on which depreciation was calculated by some entities) represent in fact one geological block and uranium production solution creates flows inside deposit as a result of which production at some technological blocks results in over or underproduction, and the cost of asset is not depreciated correctly.

Impairment of non-financial assets (estimates)

Assets related to uranium mines include property, plant and equipment, mine development assets, mineral rights, exploration and evaluation assets, investments in associates, investments in joint ventures, and other investments.

At the end of each reporting period, management assesses whether there are any impairment indicators of individual assets (or cash-generating units). If any such indicators exist, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. An impairment loss is recognised for the amount by which carrying amount exceeds recoverable amount.

The calculation of value in use requires management to make estimates regarding the Group's future cash flows. The estimation of future cash flows involves significant estimates and assumptions regarding commodity prices (uranium and other products), the level of production and sales, discount rates, growth rates, operating costs and other factors. The impairment test and calculations are based on assumptions that are consistent with the Group's business plans. Due to its subjective nature, these estimates could differ from future actual results of operations and cash flows, any such difference may result in impairment in future periods which would decrease the carrying value of the respective asset.

As of 31 December 2023 management did not find any impairment indicators of assets (cash generating units) associated with the production of uranium products.

21 Mineral rights

In millions of Kazakhstani Tenge	
At 1 January 2022	
Cost	649,452
Accumulated amortisation and impairment	(96,495)
Carrying amount	**552,957**
Additions	420
Amortisation for the period	(28,237)
At 31 December 2022	
Cost	649,872
Accumulated amortisation and impairment	(124,732)
Carrying amount	**525,140**
Additions	
Changes in accounting estimates (Note 32)	(279)
Amortisation for the period	(28,612)
At 31 December 2023	
Cost	649,593
Accumulated amortisation and impairment	(153,344)
Carrying amount	**496,249**

Material accounting policies and significant judgements

Mineral rights are stated at cost, less accumulated depreciation and provision for impairment, where required. Mineral rights acquired as part of business combinations are recognised at fair value. The capitalised cost of acquisition of mineral rights comprises subscription bonus, commercial discovery bonus, the cost of subsurface use rights and capitalised historical costs. The Group is obliged to reimburse historical costs incurred by the state in respect of mining rights prior to licence or subsoil use contracts being issued. These historical costs are recognised as part of the acquisition cost with a corresponding liability equal to the present value of payments made during the licence period or subsoil use contract.

Mineral rights are amortised using unit-of-production method based upon proved and probable reserves commencing when uranium first starts to be extracted.

The estimate of proved and probable reserves is based on reserve reports, which are an integral part of each subsoil use contract. These reserve reports are incorporated into feasibility models, which are approved by the government and detail the total proven reserves and estimated scheduled extraction by year. Since 2017, the Group uses reserve reports prepared by an independent consultant.

Ore reserves (estimates)

Uranium reserves are a critical component of the Group's projected cash flow estimates that are used to assess the recoverable values of relevant assets as well as depreciation and amortisation expense. Estimates of uranium reserves also determine the life of mines, which in turn affect asset retirement obligation calculations.

On an annual basis the Group engages an independent consultant to assess the Group's ore reserves and mineral resources in accordance with the Australasian Code for reporting on geological exploration works, mineral resources and ore reserves (hereinafter - JORC Code). Independent assessment of reserves and resources was carried out as at 31 December 2023 and 31 December 2022. The consultant reviewed all key information upon which the reported mineral resource and ore reserve statements for the mining assets of the Group are based.

The consultant's reports contain an assessment of the tons of uranium contained in ore which has the potential to be extracted by the existing and planned mining operations (the mineral resource), and also the tons of uranium contained in ore currently planned to be extracted as envisaged by the respective life-of-mine plans (the ore reserve). The Group used the ore reserves data for calculation of impairment of long-term assets, unit of production depreciation for each of the Group's mines as well as asset retirement obligation calculations.

22 Exploration and evaluation assets

In millions of Kazakhstani Tenge	Tangible assets	Intangible assets	Total
At 1 January 2022	21,853	2,525	24,378
Additions	2,393	-	2,393
Changes in accounting estimates	(228)	-	(228)
At 31 December 2022	**24,018**	**2,525**	**26,543**
Additions	2,118	447	2,565
Transfer to Mine Development Assets (Note 20)	(2,716)	-	(2,716)
Changes in accounting estimates (Note 32)	(373)	-	(373)
At 31 December 2023	**23,047**	**2,972**	**26,019**

Material accounting policies and significant judgements

Exploration and evaluation assets are measured at cost less provision for impairment, where required. The Group classifies exploration and evaluation assets as tangible or intangible according to the nature of the assets acquired.

Exploration and evaluation assets comprise the capitalised costs incurred by the Group prior to proving that viable production is possible and include geological and geophysical costs, the costs of exploratory wells and directly attributable overheads associated with exploration activities.

The decision to enter or renew a subsoil use contract after the expiration of the exploration and appraisal period is subject to the success of the exploration and appraisal of mineral resources and the Group's decision to proceed to the production (development) stage.

Tangible exploration and evaluation assets are transferred to mine development assets upon demonstration of commercial viability of uranium production and amortised using unit-of-production method based upon proved reserves. Once commercial reserves (proved or commercial reserves) are found, intangible exploration and evaluation assets are transferred to mineral rights. Accordingly, the Group does not amortise exploration and evaluation assets before commercial reserves (proved or commercial reserves) are found. If no commercial reserves are found, exploration and evaluation assets are expensed.

Costs associated with activities undertaken prior to exploration such as design, technical and economical assessments are expensed as incurred.

23 Investments in associates

The table below summarises the movements in the carrying amount of the Group’s investment in associates:

In millions of Kazakhstani Tenge	2023	2022
Carrying value at 1 January	154,124	116,892
Share of results of associates	76,049	75,736
Dividends received from associates	(77,907)	(38,504)
Carrying value at 31 December	**152,266**	**154,124**

23 Investments in associates (continued)

The Group's interests in its principal associates were as follows:

			2023		2022	
	Country of incorpora-tion	**Principal activities**	**% ownership interest held / % of voting rights**	**Carrying value in millions of Tenge**	**% ownership interest held / % of voting rights**	**Carrying value in millions of Tenge**
JV KATCO LLP	Kazakhstan	Extraction, processing and export of uranium products	49.00%	97,501	49.00%	113,920
JV South Mining Chemical Company LLP	Kazakhstan	Extraction, processing and export of uranium products	30.00%	29,768	30.00%	16,147
JV Zarechnoye JSC	Kazakhstan	Extraction, processing and export of uranium products	49.98%	18,671	49.98%	18,197
Kyzylkum LLP	Kazakhstan	Extraction, processing and export of uranium products	50.00%	5,351	50.00%	5,017
SSAP LLP	Kazakhstan	Production of sulphuric acid	9.89%	877	9.89%	742
Zhanakorgan-Transit LLP	Kazakhstan	Transportation	40.00%	98	40.00%	101
JV Rusburmash Kazakhstan LLP	Kazakhstan	Geological exploration, drilling services	49.00%	-	49.00%	-
Total investments in associates				**152,266**		**154,124**

According to amendments to the Partnership Agreement, the Group also became entitled to an additional 11% of JV KATCO LLP annual profit allocation starting from 2022 and until the end of JV KATCO LLP operations, with the ownership interest being unchanged.

23 Investments in associates (continued)

Summarised financial information for 2023 in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

In millions of Kazakhstani Tenge	Kyzylkum LLP	JV KATCO LLP	JV South Mining Chemical Company LLP	JV Zarechnoye JSC	Other	Total
Current assets	5,791	88,943	111,031	34,598	4,774	245,137
Including cash	819	41,771	37,133	4,913	1,043	85,679
Non-current assets	11,922	166,440	47,603	23,847	11,686	261,498
Total assets	**17,713**	**255,383**	**158,634**	**58,445**	**16,460**	**506,635**
Current liabilities	(4,146)	(14,872)	(29,370)	(5,872)	(8,833)	(63,093)
Including financial liabilities net of trade and other accounts payable and provisions	(2,558)	(119)	(3,208)	-	(982)	(6,867)
Incl. loan from the Company	*(2,558)*	-	-	-	-	*(2,558)*
Non-current liabilities	(1,328)	(22,037)	(8,850)	(5,476)	(422)	(38,113)
Including financial liabilities net of trade and other accounts payable and provisions	-	(559)	(24)	-	-	(583)
Total liabilities	**(5,474)**	**(36,909)**	**(38,220)**	**(11,348)**	**(9,255)**	**(101,206)**
Net assets	**12,239**	**218,474**	**120,414**	**47,097**	**7,205**	**405,429**
Group's share of net assets of associates	6,119	107,053	36,124	23,539	(346)	172,489
Unrealised profit	-	(16,881)	(6,356)	(4,910)	-	(28,147)
Additional allocation of profits	-	7,261	-	-	-	7,261
Other	(768)	-	-	42	1,239	513
Goodwill	-	68	-	-	82	150
Carrying value of investments in associates	**5,351**	**97,501**	**29,768**	**18,671**	**975**	**152,266**
Total revenue	13,587	147,448	199,667	54,796	17,790	433,288
Depreciation and amortisation	(689)	(14,614)	(9,577)	(6,604)	(387)	(31,871)
Finance income	489	1,523	582	227	109	2,930
Finance costs	(474)	(2,064)	(4,703)	(460)	(218)	(7,919)
Foreign exchange gain/(loss)	80	(1,546)	(4,242)	(214)	(1)	(5,923)
(Impairment losses)/reversal of impairment losses	17	34	12	3	(1)	65
Income tax	(130)	(19,984)	(30,435)	(6,422)	(380)	(57,351)
Profit for the year	668	66,006	112,699	24,685	99	204,157
Total comprehensive income	**668**	**66,006**	**112,699**	**24,685**	**99**	**204,157**
Unrealised profit	-	(6,288)	362	(4,291)	-	(10,217)
Share in accumulated unrecognized losses	-	-	-	-	889	889
Share of result of associates	**334**	**33,315**	**34,171**	**8,046**	**182**	**76,049**
Dividends received	-	49,734	20,551	7,573	49	77,907

23 Investments in associates (continued)

Summarised financial information for 2022 in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

In millions of Kazakhstani Tenge	Kyzylkum LLP	JV KATCO LLP	JV South Mining Chemical Company LLP	JV Zarechnoye JSC	Other	Total
Current assets	6,757	132,298	77,223	26,011	2,515	244,804
Including cash	5	97,300	13,855	7,147	338	118,645
Non-current assets	15,619	132,022	42,114	19,593	11,493	220,841
Total assets	**22,376**	**264,320**	**119,337**	**45,604**	**14,008**	**465,645**
Current liabilities	(6,766)	(8,822)	(33,059)	(4,068)	(5,099)	(57,814)
Including financial liabilities net of trade and other accounts payable and provisions	(3,397)	(82)	(21,920)	(32)	(894)	(26,325)
Incl. loan from the Company	(3,397)	-	-			(3,397)
Non-current liabilities	(4,038)	(20,139)	(10,060)	(3,973)	(1,308)	(39,518)
Including financial liabilities net of trade and other accounts payable and provisions	(2,852)	-	(3,286)	-	(835)	(6,973)
Incl. loan from the Company	(2,852)	-	-	-	-	(2,852)
Total liabilities	**(10,804)**	**(28,961)**	**(43,119)**	**(8,041)**	**(6,407)**	**(97,332)**
Net assets	**11,572**	**235,359**	**76,218**	**37,563**	**7,601**	**368,313**
Group's share of net assets of associates	5,786	115,326	22,865	18,774	390	163,141
Unrealised profit	-	(10,592)	(6,719)	(619)	-	(17,930)
Additional allocation of profits	-	9,118	-	-	-	9,118
Other	(768)	-	-	42	371	(355)
Goodwill	-	68	-	-	82	150
Carrying value of investments in associates	**5,018**	**113,920**	**16,146**	**18,197**	**843**	**154,124**
Total revenue	10,572	146,304	131,039	44,538	13,757	346,210
Depreciation and amortisation	(682)	(12,262)	(6,328)	(6,218)	(643)	(26,133)
Finance income	162	127	655	109	87	1,140
Finance costs	(435)	(1,282)	(1,393)	(347)	(314)	(3,771)
Foreign exchange gain/(loss)	(642)	4,931	(1,331)	(1,288)	-	1,670
(Impairment losses)/reversal of impairment losses	(2)	180	26	1	(1)	204
Income tax	(368)	(24,035)	(21,706)	(5,073)	(338)	(51,520)
Profit for the year	(1,039)	82,891	76,114	18,939	(567)	176,338
Total comprehensive income	**(1,039)**	**82,891**	**76,114**	**18,939**	**(567)**	**176,338**
Unrealised profit	-	(2,141)	(4,307)	777	-	(5,671)
Share in accumulated unrecognized losses	-	-	-	-	519	519
Share of result of associates	(520)	47,593	18,528	10,242	(107)	75,736
Dividends received	1,080	18,796	15,576	3,013	39	38,504

24 Investments in joint ventures

The table below summarises the movements in the carrying amount of the Group's investment in joint ventures:

In millions of Kazakhstani Tenge	2023	2022
Carrying value at 1 January	44,208	37,803
Share of results of joint ventures	22,336	13,340
Dividends received from joint ventures	(9,959)	(6,935)
Carrying value at 31 December	**56,585**	**44,208**

The Group's interests in its principal joint ventures were as follows:

			2023		2022	
	Country of incorpora-tion	Principal activity	% ownership interest held	Carrying value in millions of Tenge	% ownership interest held	Carrying value in millions of Tenge
Semizbay-U LLP	Kazakhstan	Extraction, processing and export of uranium products	51.00%	31,318	51.00%	28,252
SKZ-U LLP	Kazakhstan	Production of sulphuric acid	49.00%	8,377	49.00%	6,493
JV Budenovskoe LLP	Kazakhstan	Extraction, processing and export of uranium products	51.00%	7,169	51.00%	5,428
Ulba-FA LLP	Kazakhstan	Production of fuel assemblies and their components	51.00%	6,634	51.00%	957
Uranenergo LLP	Kazakhstan	Transfer and distribution of electricity, grid operations	79.23%	3,087	79.23%	3,078
JV UKR TVS CJSC	Ukraine	Production of nuclear fuel	33.33%	-	33.33%	-
Total investments in joint ventures				**56,585**		**44,208**

Uranenergo LLP

Management concluded that the Group does not have the ability to exercise control over Uranenergo LLP. Accordingly, this investment is classified as an investment in a joint venture.

24 Investments in joint ventures (continued)

Summarised financial information on respect of the Group's material joint ventures is set out below. The summarised financial information below represents amounts shown in the joint ventures' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

	Semizbay-U LLP		JV Budenovskoe LLP		Ulba-FA LLP		Other		Total	
In millions of Kazakhstani Tenge	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	52,012	37,976	20,593	153	241,991	121,989	4,290	5,121	318,886	165,239
Including cash	29,571	18,725	11,885	114	739	19,791	338	1,164	42,533	39,794
Non-current assets	31,061	25,111	43,310	28,801	20,756	26,142	24,445	24,808	119,572	104,862
Total assets	**83,073**	**63,087**	**63,903**	**28,954**	**262,747**	**148,131**	**28,735**	**29,929**	**438,458**	**270,101**
Current liabilities	(11,512)	(6,153)	(11,936)	(1,079)	(213,927)	(92,883)	(4,095)	(9,675)	(241,470)	(109,790)
Including financial liabilities net of trade and other accounts payable and provisions	(3,646)	(66)	(6,617)	(31)	(11,318)	(4,147)	-	(3,219)	(21,581)	(7,463)
Non-current liabilities	(7,677)	(6,100)	(23,759)	(5,320)	(35,812)	(53,373)	(2,886)	(2,354)	(70,134)	(67,147)
Including financial liabilities net of trade and other accounts payable and provisions	-	-	(22,633)	(5,123)	(20,182)	(30,818)	-	-	(42,815)	(35,941)
Total liabilities	**(19,189)**	**(12,253)**	**(35,695)**	**(6,399)**	**(249,739)**	**(146,256)**	**(6,981)**	**(12,029)**	**(311,604)**	**(176,937)**
Net assets	**63,884**	**50,834**	**28,208**	**22,555**	**13,008**	**1,875**	**21,754**	**17,900**	**126,854**	**93,164**
Group's share of net assets of joint ventures	32,581	25,925	14,387	11,503	6,634	957	12,104	10,213	65,706	48,598
Goodwill	4,105	4,105	-	-	-	-	(1,374)	(1,374)	2,731	2,731
Impairment losses	-	-	-	-	-	-	(21)	(21)	(21)	(21)
Other	131	149	(1,258)	(115)	-	-	755	753	(372)	787
Unrealised gain	-	-	(5,960)	(5,960)	-	-	-	-	(5,960)	(5,960)
Unrealised profit	(5,499)	(1,927)	-	-	-	-	-	-	(5,499)	(1,927)
Carrying value of investments in joint ventures	**31,318**	**28,252**	**7,169**	**5,428**	**6,634**	**957**	**11,464**	**9,571**	**56,585**	**44,208**
Total revenue	**70,757**	**55,660**	**8,542**	**-**	**114,004**	**22,929**	**17,072**	**15,708**	**210,375**	**94,297**
Depreciation and amortisation	(7,994)	(5,758)	(245)	(13)	(1,160)	(292)	(1,449)	(1,342)	(10,848)	(7,405)
Finance income	712	498	150	4	1,300	35	50	11	2,212	548
Finance costs	(838)	(501)	(1,139)	(252)	(1,423)	(1,489)	(51)	(119)	(3,451)	(2,361)
Foreign exchange gain/(loss)	(208)	807	(176)	(98)	-	(2,374)	110	(455)	(274)	(2,120)
Impairment losses	(218)	(387)	10	(40)	-	(1)	(15)	(5)	(223)	(433)
Income tax	(8,506)	(6,243)	(1,164)	(149)	(317)	(425)	(1,025)	(792)	(11,012)	(7,609)
Profit/(loss) for the year	32,542	25,215	3,413	(1,261)	11,132	(3,428)	3,857	3,098	50,944	23,624
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	**32,542**	**25,215**	**3,413**	**(1,261)**	**11,132**	**(3,428)**	**3,857**	**3,098**	**50,944**	**23,624**
Unrealised profit	(3,572)	1,382	-	-	-	-	-	-	(3,572)	1,382
Share of results of joint ventures	**13,025**	**14,242**	**1,741**	**(643)**	**5,677**	**(1,749)**	**1,893**	**1,490**	**22,336**	**13,340**
Dividends received	9,959	6,935	-	-	-	-	-	-	9,959	6,935

25 Accounts receivable

In millions of Kazakhstani Tenge	2023	2022
Trade accounts receivable	290,094	251,697
Trade accounts receivable from related parties	57,917	7,024
Total gross trade accounts receivable	**348,011**	**258,721**
Provision for impairment of trade receivables (Note 11)	(15,901)	(87)
Provision for impairment of trade receivables from related parties	(74)	(3)
Total trade accounts receivable	**332,036**	**258,631**
Other accounts receivable	98,374	12,389
Other accounts receivable from related parties	115	81
Total gross other accounts receivable	**98,489**	**12,470**
Provision for impairment of other receivables	(204)	(180)
Provision for impairment of other receivables from related parties	(2)	-
Total other accounts receivable	**98,283**	**12,290**
Total accounts receivable	**430,319**	**270,921**

Increase in accounts receivable balance is explained by:

- Increase of trade accounts receivable in line with revenue increase,
- Increase in sales volumes to Ulba-FA LLP,
- Other receivables expected under swap transactions (Note 7).

Material accounting policies and significant judgements

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due within 12 months period and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 38.

Other receivables are recognised initially at fair value and are subsequently carried at amortised cost using the effective interest method. Those are mainly current receivables other than those for goods sold or services performed. As of 31 December 2023 other receivables include amounts from swap operations (Note 7).

Information on the Group's exposure to credit and currency risks and provision for impairment for accounts receivable is disclosed in Note 38.

26 Other financial assets

In millions of Kazakhstani Tenge	2023	2022
Non-current assets		
Restricted cash	30,588	29,044
Investment in ANU Energy	30,667	17,066
Long-term debt securities	12,257	9,202
Loans to related parties	-	2,536
Other	2,361	1,523
Total other non-current assets	**75,873**	**59,371**
Current assets		
Short-term debt securities	46,276	72
Loans to related parties	2,502	3,491
Restricted cash	191	15,923
Term deposit	8	930
Other	430	262
Total other current assets	**49,407**	**20,678**

Restricted cash

In accordance with the terms of its subsoil use contracts, the Group transfers cash to long-term bank deposits to finance future site restoration activities. As at 31 December 2023 the balance of restricted cash held in long-term bank deposits related to financing of future site restoration activities was Tenge 30,588 million (2022: Tenge 29,044 million).

At December 31, 2022, current restricted cash balance includes blocked payments of US Dollars 32.3 million (equivalent to Tenge 14,956 million), which were returned to the Group on January 30, 2023 in the amount of Tenge 14,884 million (including foreign exchange differences).

Investments in ANU Energy

On 22 November 2021 the Group invested US Dollar 24.25 million (equivalent to Tenge 12,368 million) in shares of ANU Energy OEIC Ltd together with other state-owned entities and entities under common control of SWF Samruk-Kazyna JSC in equal ownership shares of 32.7%. The purpose of ANU Energy OEIC Ltd. is to store physical uranium as a long-term investment. Management of ANU Energy OEIC Ltd. is performed by a third party in accordance with trust management agreement. The Group recognises investment at fair value through profit or loss. The fair value is determined based on the fair value of uranium spot prices (Note 39).

The Group has recognised gain from revaluation of other investments of Tenge 13,658 million (2022: Tenge 4,699 million) (Note 15). As of 31 December 2023 the fair value of investment in ANU Energy OEIC Ltd. was Tenge 30,667 million (2022: Tenge 17,066 million).

Debt securities

On May 12, 2022, in order to diversify its treasury portfolio, the Group invested in Eurobonds issued by Development Bank of Kazakhstan JSC, in the amount of 19.9 million US Dollars, or Tenge 8,804 million with a maturity of 3 years and a coupon rate of 5.75%. The bonds are measured at amortised cost. On December 8, 2023 the Group invested in bonds issued by the Eurasian Development Bank in the amount of US Dollars 7.1 million or Tenge 3,259 million with a maturity of 3 years and a coupon rate of 5.72%. Bonds are valued at amortised cost. As at December 31, 2023, the amount of long-term investments is equal to Tenge 12,257 million including foreign exchange differences.

As at December 31 2023 current debt securities include Tenge 46,276 million of investment in US Treasury bills with 84 days duration.

27 Other non-financial assets

In millions of Kazakhstani Tenge	2023	2022
Non-current		
Long-term inventories	12,226	7,299
VAT recoverable	6,253	8,725
Advances for non-current assets	3,397	1,782
Investment property	2,010	2,046
Prepaid expenses	692	789
Other assets to related parties	291	415
Other assets	102	223
Total other non-current assets	**24,971**	**21,279**
Current		
Advances for goods and services	11,722	11,085
Prepaid expenses	2,618	2,059
Other assets to related parties	2,774	3,834
Prepaid insurance	623	1,309
Prepaid taxes other than income tax	221	443
Other assets	1,440	544
Total other current assets	**19,398**	**19,274**

Value added tax

Value added tax (VAT) related to sales is payable to the tax authorities when goods are shipped, or services are rendered. Purchase VAT can be offset against sales VAT upon the receipt of a tax invoice from a supplier. Tax legislation allows the settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases unsettled at the reporting date is stated in the consolidated statements of financial position on a net basis separately for each consolidated entity.

As at 31 December 2023, VAT recoverable by the Group amounted to Tenge 146,450 million (2022: Tenge 62,389 million). The Group expects that this amount will be confirmed for return by tax authorities in the first half of 2024. VAT confirmed by tax audits is subject to refund from the budget by transfer to a current account or by offset.

Recoverable VAT is classified as non-current if its settlement is not expected within one year after the reporting period. Non-current VAT is not discounted.

Material accounting policies and significant judgements

Advances are carried at cost less provision for impairment. Advances are classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the advances relate to an asset which will itself be classified as non-current upon initial recognition. Advances for assets are transferred to the carrying amount of the asset once the Group has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Group.

Other advances are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to an advance will not be received, the carrying value of the advance is written down accordingly and a corresponding impairment loss is recognised in profit or loss for the year. Non-current advances are not discounted.

28 Inventories

In millions of Kazakhstani Tenge	2023	2022
Finished goods and goods for resale	331,494	296,833
Including uranium products	*328,015*	*295,051*
Work-in-process	62,496	54,016
Raw materials	26,451	34,831
Other materials	2,793	7,486
Fuel	1,800	1,488
Spare parts	1,233	989
Provision for obsolescence and write-down to net realisable value	(2,953)	(3,022)
Total inventories	**423,314**	**392,621**

Movements in the provision for obsolescence are as follows:

In millions of Kazakhstani Tenge	2023	2022
Balance at 1 January	(3,022)	(3,250)
Reversal of provision during the year	302	1,011
Inventory write off during the year	534	77
Accrual of provision during the year	(767)	(821)
Translation of foreign currency	-	(39)
Balance at 31 December	**(2,953)**	**(3,022)**

Inventories are recorded at the lower of cost and net realisable value. The cost of inventory is determined on the weighted average basis.

29 Cash and cash equivalents

In millions of Kazakhstani Tenge	2023	2022
Demand deposits	108,717	38,274
Current bank accounts	93,701	131,260
Cash in the form of reverse repurchase transactions	9,506	-
Cash in hand	4	14
Provision for impairment	(16)	(12)
Total cash and cash equivalents	**211,912**	**169,536**

Significant non-cash transactions include settlement of cash transfers with Uranium Enrichment Center JSC for Tenge 47,862 million (Note 7).

Material accounting policies and significant judgements

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank deposits with original maturities of three months or less. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL. Restricted balances are excluded from cash and cash equivalents. Balances restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period are included in other non-current assets.

Cash and cash equivalents also include transactions under reverse repurchase transaction with highly liquid government securities received as a pledge with the agreement to sell them within 1 to 30 days. Reverse repo transactions are readily convertible to cash and cash equivalents and are subject to insignificant risk of changes in value.

30 Share capital

At 31 December 2023 the total number of authorised and paid ordinary shares is 259,356,608 (2022: 259,356,608) of which 75% is owned by SWF Samruk-Kazyna JSC and 25% of the shares/GDRs are freely floated with listing on the Astana International Exchange (AIX) and the London Stock Exchange (LSE). One GDR represents a share in one share. Each ordinary share carries the right to one vote. Registered share capital is Tenge 37,051 million.

Dividends declared and paid during the year were as follows:

In millions of Kazakhstani Tenge	**2023**	**2022**
Dividends payable at 1 January	-	-
Dividends declared during the year	200,970	227,388
Dividends paid during the year	(200,970)	(227,388)
Dividends payable at 31 December	-	**-**
Dividends declared during the year per share, in Tenge	**775**	**877**

Material accounting policies and significant judgements

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in equity. Additional paid-in capital primarily represents capital contributions made by non-controlling interests in excess of their ownership.

31 Loans and borrowings

In millions of Kazakhstani Tenge	**2023**	**2022**
Non-current		
Bonds	-	83,300
Total non-current loans and borrowings	**-**	**83,300**
Current		
Promissory notes issued	3,506	7,002
Bonds	82,746	24,016
Bank loans	-	23,953
Total current loans and borrowings	**86,252**	**54,971**
Total loans and borrowings	**86,252**	**138,271**

31 Loans and borrowings (continued)

Information about the Group's loans and borrowings is presented as follows:

In millions of Kazakhstani Tenge	Currency	Maturity	2023	2022
Bank loans				
Fortebank JSC	US Dollar	2023	-	23,202
Halyk Bank JSC	Tenge	2023	-	751
Total bank loans			**-**	**23,953**
Bonds				
Bonds	US Dollar	2024, 2023	82,746	107,316
Total bonds			**82,746**	**107,316**
Promissory notes issued				
Kyzylkum LLP	Tenge	on demand	3,506	7,002
Total promissory notes issued			**3,506**	**7,002**

The company placed US Dollar-indexed bonds on 27 September 2019 with a maturity of 27 October 2024 and a coupon of 4% per annum. The nominal value of one bond is Tenge 1,000, total volume is 70 million.

Promissory notes were issued by a subsidiary of the Group JV Khorasan-U LLP in December 2014 to repay amounts owing for mine development assets. According to the terms, the promissory notes are payable on demand at an interest rate of 0.1%. As at 31 December 2023, the right of claim under these promissory notes belongs to Kyzylkum LLP, an associate of the Group (Note 6).

As at 31 December 2022, current bank loans included loans from Forte Bank JSC in the amount of Tenge 23,202 million and Halyk Bank of Kazakhstan JSC in the amount of Tenge 751 million. Also, during the reporting period, the Group received a loan from Forte bank JSC in the amount of Tenge 22,358 million.

Bank loans that were received to cover short-term liquidity shortages, were repaid as at the reporting date and the repayment amount was Tenge 46,808 million. Additionally, the Group made a partial repayment of promissory notes in the amount of Tenge 3,500 million and bonds in the amount of Tenge 23,217 million.

The Group's loans and borrowings were unsecured. In 2023, the Group's weighted average interest rate on fixed interest rate loans was 3.81% (2022: 3.62%).

31 Loans and borrowings (continued)

Reconciliation of debt

The table below shows an analysis of the debt amount and changes in the Group's liabilities arising from financing activities for each of the periods presented:

In millions Kazakhstani Tenge	Loans and borrowings	Lease liabilities	Total
Debt at 31 December 2021	89,017	291	89,308
Proceeds from loans and borrowings	70,905	-	70,905
Foreign currency translation	4,760	(2)	4,758
Interest accrued	3,689	20	3,709
Repayment	(26,555)	(162)	(26,717)
Interest paid	(3,545)	(25)	(3,570)
Other non-cash changes	-	51	51
Debt at 31 December 2022	**138,271**	**173**	**138,444**
Proceeds from loans and borrowings	22,358	103	22,461
Foreign currency translation	(749)	(4)	(753)
Interest accrued	3,753	17	3,770
Repayment	(73,525)	(42)	(73,567)
Interest paid	(3,856)	(17)	(3,873)
Other non-cash changes	-	(105)	(105)
Debt at 31 December 2023	**86,252**	**125**	**86,377**

Material accounting policies and significant judgements

Borrowings are recognised initially at fair value, net of transaction costs incurred and are subsequently carried at amortized cost using the effective interest method.

32 Provisions

In millions of Kazakhstani Tenge	Compensation for occupational diseases	Environment protection	Site restoration	Other	Total
At 1 January 2022					
Non-current	129	1,261	30,725	77	32,192
Current	67	96	706	-	869
Total	**196**	**1,357**	**31,431**	**77**	**33,061**
Provision for the year	45	28	-	197	270
Transfers	-	77	-	(44)	33
Unwinding of discount	19	128	2,745	-	2,892
Provision used	(61)	(10)	-	-	(71)
Change in estimates	-	7,811	3,940	45	11,796
At 31 December 2022					
Non-current	133	9,268	34,074	-	43,475
Current	66	123	4,042	275	4,506
Total	**199**	**9,391**	**38,116**	**275**	**47,981**
Provision for the year	17	204	-	16,228	16,449
Transfers	-	-	-	2,380	2,380
Unwinding of discount	23	946	3,884	-	4,853
Provision used	(63)	(47)	(265)	(11,564)	(11,939)
Change in estimates	-	(1,768)	(3,635)	(278)	(5,681)
At 31 December 2023					
Non-current	110	8,604	33,886	2,100	44,700
Current	66	122	4,214	4,941	9,343
Total	**176**	**8,726**	**38,100**	**7,041**	**54,043**

Site restoration provision

The nominal cost of site restoration provision as at 31 December 2023 is Tenge 100,955 million (2022: Tenge 84,209 million). The amount of provision for restoration of mine sites was calculated using current prices (the prices effective at the reporting date) for expenditures to be incurred and then inflated using the forecast inflation rate effective for the period until the settlement of restoration.

The change in provision is explained by the updated estimate of radioactive waste disposal amount based on tests performed across all Group mines on pumping and production wells, which resulted in the decrease of the nominal amount. Management believes that such approach gives a more precise information. The natural increase of provision due to inflation and additional operating activities during the year was partially offset by the increase in discount rates. The amount of the provision for environment protection is mainly associated with Ulba Metallurgical Plant JSC. The nominal cost of restoration of liquidation facilities As at 31 December 2023 is Tenge 138,724 million (2022: Tenge 134,438 million).

Other provisions

Taking into account that in 2023 the Group fulfilled its obligation to pay compensation to the state budget for the uranium mined without license in the amount of Tenge 11,404 million (Note 10), the Group accrued a provision to compensate the second participant of MC Ortalyk LLP in the amount of Tenge 4,679 million, or 49% of Tenge 11,404. Depending on the applicability of certain conditions in the Sale and Purchase with a second participant, the Group may have an obligation to compensate the second participant for unexpected payments to the state budget with regards to prior periods.

32 Provisions (continued)

Material accounting policies and significant judgements

In accordance with environmental legislation and the subsoil use contracts, the Group has a legal obligation to remediate damage caused to the environment from its operations and to decommission its mining assets and landfills and restore landfill sites after closure of mining activities. Provision is made based upon the net present values of estimated site restoration and retirement costs as soon as the obligation arises from past mining activities. The Group estimates the site restoration costs for each mine operated. Estimate provision is charged to the cost of corresponding asset (mine development assets or property, plant and equipment) in the reporting period when an obligation arises from past operating activity performed.

Provisions for asset retirement obligations do not include any additional obligations which are expected to arise from future disturbances. The cost estimates are calculated annually during the course of the operations to reflect known developments, including updated cost estimates revised subsoil use terms and estimated lives of operations, and are subject to formal reviews on a regular basis. The amortisation or “unwinding” of the discount applied in establishing the net present value of provisions is charged to profit and loss in each reporting period. The amortisation of the discount is disclosed as finance costs. In view of the long-term nature of provisions, there is uncertainty concerning the actual amount of expenses that will be incurred in performing site restoration activities for each mine. Changes in estimates occur due to annual revision of costs for site liquidation including newly drilled wells, sand traps and other facilities subject to subsequent liquidation.

Provision for asset retirement obligations (estimates)

Site restoration

The provision for asset retirement obligations is estimated based upon the Group’s interpretation of current environmental legislation in the Republic of Kazakhstan and the Group’s related programme for liquidation of subsurface use consequences on the contracted territory and other operations supported by the feasibility study and engineering research in accordance with the applicable restoration and retirement standards and techniques.

Provisions for asset retirement obligations are subject to potential changes in environmental regulatory requirements and the interpretation of the legislation. Provisions are recognised when there is a certainty of incurring of such liabilities and when it is possible to measure the amounts reliably. The scope of work stipulated by the legislation and included in the calculations of the asset retirement obligations contains the dismantling of facilities and infrastructure (pumping, injection and observation wells, technological units for acidification and distribution of solutions, pipelines, access roads, technological sites, landfills, buildings and other facilities) and subsequent restoration of land.

The calculation of the provision for production assets retirement as of 31 December 2023 was performed by the Group’s internal specialists and reviewed by an independent consultant.

Principal assumptions used in the estimations include:

- a discount rate that reflects the current market estimates of the time value of money and those risks specific to the liability not reflected in the best estimate of the costs. The discount rate is based on a risk-free rate determined by reference to the interest rate on government bonds with maturity matching the period of the Group’s each subsoil use contract, range of 11.7% - 13.3% (2022: average 11.55%);
- long-term inflation rate applied to the nominal costs calculated at current prices of 4.01% - 6.39% in 2023 (2022: average 5.99%);
- discounting period in accordance with the estimated life of mines and reserves depletion period;
- low radioactive waste management program assumes removal and disposal at special landfills owned by the Group.

Sensitivity analysis of the principal assumptions as at 31 December 2023 is as follows:

In millions of Kazakhstani Tenge	**(Decrease)/Increase of assumptions**	**(Decrease)/Increase of decommissioning provisions**
Inflation rate	-1%	(4,640)
	+1%	3,993
Discount rate	-1%	4,348
	+1%	(3,714)

32 Provisions (continued)

Sensitivity analysis of the principal assumptions as at 31 December 2022 is as follows:

In millions of Kazakhstani Tenge	(Decrease)/Increase of assumptions	(Decrease)/Increase of decommissioning provisions
Inflation rate	-1%	(4,469)
	+1%	5,288
Discount rate	-1%	5,052
	+1%	(4,229)

Provision for environment protection

In 2021 the Ecological Code of the Republic of Kazakhstan (the Code) came into effect. The Code stipulates that operators of assets that are considered to have a negative impact on the environment have an obligation to decommission such assets in accordance with the requirements of the legislation. Liquidation measures will depend on the assets' nature and the degree of their impact on the environment.

Based on the analysis carried out by the Group's specialists, as well as based on the interpretation of current environmental legislation and IFRS requirements, in 2022 the Group recognised an obligation to decommission, dismantle and reclaim the Group's facilities.

The liability for decommissioning, dismantling and reclamation was assessed and recognised in relation to the following facilities: facilities classified as category I (facilities that have a significant negative impact on the environment): JSC Ulba Metallurgical Plant site in Ust-Kamenogorsk, as well as assets technologically related to them and located on the territory of the industrial site. The Group assessed liquidation obligations based on the methodology approved by the Environmental Code.

Principal assumptions used in the estimations include:

- current prices are inflated using the expected long-term inflation rate of 6.39% for assets with liquidation term until 2027, 4.49% for assets with liquidation term until 2042, 3.76% for assets with liquidation term after 2044 (2022: 7.7% for assets with liquidation term until 2027, 4.6% for assets with liquidation term until 2042, 3.93% for assets with liquidation term after 2044), and subsequently discounted;
- the discount rate for calculation of the provision as of 31 December 2023 is 13.3% for assets with liquidation term until 2027, 12.15% for assets with liquidation term until 2042, 10.36% for assets with liquidation term after 2044. (31 December 2022: 14.4% for assets with liquidation term until 2027, 11.3% for assets with liquidation term until 2042, 10% for assets with liquidation term after 2044);
- the discounting period equates to the remaining useful life of buildings and constructions, of not less than 50 years. All buildings and constructions are subject to annual technical reviews to determine required capital and operating expenditure requirements.

Sensitivity analysis of the principal assumptions As at 31 December 2023 is as follows:

In millions of Kazakhstani Tenge	(Decrease)/Increase of assumptions	(Decrease)/Increase of decommissioning provisions
Inflation rate	-1%	(2,762)
	+1%	4,300
Discount rate	-1%	4,028
	+1%	(2,608)
Discount period	-10%	2,642
	+10%	(1,970)

32 Provisions (continued)

Sensitivity analysis of the principal assumptions As at 31 December 2022 is as follows:

In millions of Kazakhstani Tenge	(Decrease)/Increase of assumptions	(Decrease)/Increase of decommissioning provisions
Inflation rate	-1%	(3,148)
	+1%	4,950
Discount rate	-1%	4,665
	+1%	(2,986)
Discount period	-10%	2,682
	+10%	(2,044)

Based on the Group's analysis of current regulation, management concluded that certain other Ulba metallurgical plant's assets should be excluded from asset retirement obligations as at 31 December 2023 since there is no reasonable calculation method for these types of assets and/or the potential amount of such liabilities is not significant. This judgement is based on the following:

- such assets do not have a significant negative impact on the environment and ecological legislation does not require financial provision for the assets;
- production processes involving these assets do not lead to consequences that would require dismantlement and recultivation works to mitigate the negative environmental impact.

As the requirements of the Environmental Code are relatively new, there is no practice of applying these requirements and there are ambiguities in the legislation, management has applied significant judgment in terms of assessing liabilities and their amounts. In case of changes in environmental legislation, its interpretation and practice of its application, as well as in the judgments and in the Group's estimates, such liabilities may be revised in the future.

Refer to Note 35 for details of the Group's provisions on Environmental Code at 31 December 2023.

Key assumptions which serve as the basis for determining the carrying value of the provision for restoration of mine sites provision are as follows:

- there is a high probability that the Group will proceed to development and production stages for its fields which are currently under exploration. This creates a constructive obligation for the Group to recognise a site restoration provision for all mining and exploration licenses;
- the expected term for future cash outflows for the mine sites is based on the life of the mines. A substantial part of the expenditures is expected to occur starting from 2045, at the end of the expected life of the mines.

33 Accounts payable

In millions of Kazakhstani Tenge	2023	2022
Trade accounts payable	91,532	39,794
Trade accounts payable to related parties	83,857	58,668
Total trade accounts payable	**175,389**	**98,462**
Other accounts payable	622	346
Other accounts payable to related parties	-	1
Total other accounts payable	**622**	**347**
Total accounts payable	**176,011**	**98,809**

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 38.

Material accounting policies and significant judgements

Trade payables are accrued when the counterparty performs its obligations under the contract and are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

34 Other liabilities

In millions of Kazakhstani Tenge	2023	2022
Non-current		
Liabilities under contracts with customers	2,698	2,746
Advances received	2,275	2,276
Deferred income from subsidies received	1,725	1,820
Other	849	2,471
Total non-current other liabilities	**7,547**	**9,313**
Current		
Liabilities under inventory loan agreements	91,151	19,147
Accrued unused vacation payments and bonuses	13,175	11,453
Liabilities under contracts with customers from related parties	2,818	35,082
Tender participation guarantee	2,748	735
Wages and salaries payable	2,719	2,420
Social contributions payable	2,135	1,795
Issued financial guarantees	863	653
Liabilities under uranium swap contracts (Note 7)	-	4,709
Joint operations liabilities	-	4,569
Other	812	3,320
Total current other liabilities	**116,421**	**83,883**

Liabiitites under inventory loan agreements

In 2020, the Group received uranium hexofluoride under inventory loan agreements for the total amount of US Dollars 21.9 million (Tenge 8,597 million) to fulfill the obligations under one of the sales agreement. Liabilities were subsequently measured at fair value in accordance with changes in uranium spot prices and exchange rates. In 2023 the Group returned uranium under inventory loan agreements by purchasing it from third party.

The Group borrowed 886 tones of natural uranium from ANU Energy OEIC Ltd. due for return at 31 December 2023. In December 2023 the Group has returned 38 tones and extended the due date of agreement until the end of March 2024. As at December 31, 2023 the fair value of liability under inventory loan agreement was Tenge 91,151 million, revaluation loss for the year amounted to Tenge 37,977 million (Note 13).

Uranium loans are part of the Group's normal inventory management policy, required to mitigate logistical risks that could affect the timely delivery of Kazakhstani uranium to Western conversion enterprises due to heightened geopolitical instability. The Group enters into inventory loan agreements, according to which one party (the lender) undertakes to provide the other party (the borrower) with products, and the borrower obliges to return to the lender an identical amount of uranium products. The Group obtains inventory loans to facilitate the performance of its uranium supply obligations. The Group classifies inventory loans received as a non-financial liability.

Upon receipt of the inventory loan, the Group accounts for the inventory at the contracted cost. Liability arising from inventory loan are recognised as part of other liabilities at the fair value of the uranium products at the reporting date. Subsequent revaluation of the inventory loan is carried out through profit or loss as part of other income/expenses in accordance with changes in the fair value of uranium products.

Joint operations liabilities

As at 31 December 2023, joint operations liabilities represent obligations of the Group under the terms of the joint operations contractual agreements that require equal volumes of uranium to be purchased during the period by the participants. In 2023, the Group repurchased the 2023 volume in full, as well as the corresponding volume of the previous period.

35 Contingencies and commitments

Compliance with Kazakhstan Tax legislation

The tax environment in the Republic of Kazakhstan is subject to change and inconsistent application and interpretations.

Kazakhstani tax legislation and practice is in a state of continuous development, and therefore is subject to varying interpretations and frequent changes, which may be retroactive. Tax periods remain open to retroactive review by the Kazakhstan tax authorities for five years.

The Group's management believes that its interpretation of the relevant legislation is appropriate and the Group's tax positions will be sustained. In the opinion of the Group's management, no material losses will be incurred in respect of existing and potential tax claims in excess of provision or disclosures that have been made in these consolidated financial statements.

Compliance with subsoil use contractual obligations

In accordance with the terms of the subsoil use contracts, the Group mining entities are required to comply with the obligations specified therein. Failure to comply with the conditions stipulated by subsoil use contracts may lead to negative consequences, including termination of contracts, fines and penalties. Under current subsoil use legislation, the payment of penalty does not relieve subsurface user from fulfillment of obligations under subsoil use contracts.

As at December 31, 2023, at some enterprises, the underproduction of uranium exceeds the legally allowed threshold of 20%, which is associated with a shortage of strategic materials. In addition, mining enterprises failed to meet their financial obligations under subsoil use contracts, which could result in penalties of 1% of the defaulted obligation in the amount of Tenge 40-50 million for 2023. The Group has not recognised additional liabilities in the financial statements as at 31 December 2023 as it plans to settle financial liabilities in future periods in accordance with revised work programs.

Insurance

The Kazakhstani insurance industry is in development stage, and many forms of insurance protection common in other countries are not yet available. Since 2021, the Corporate Property Insurance Program of the Company's enterprises has been implemented against the "risks" of death, loss or damage as a result of accidental and unforeseen direct physical impact (excluding equipment breakdown/failure and interruption in production).

The Group does not have full insurance coverage for risks related to mining activities and production facilities, including for damages caused by the stoppage of production or obligations incurred to third parties in connection with damages caused to the property or the environment resulting from accidents or operations.

The Group provides directors and officers liability insurance, which cover for the Company's managers to protect them from claims which may arise from decisions and actions taken ("alleged wrongful acts") within the scope of their regular duties. The terms of the policy prohibit disclosure of the amount of the insurance coverage.

Environmental obligations

In 2021, a new Environmental Code (hereinafter referred to as the "Code") came into force. The Code provides for the division of objects that have a negative impact on the environment into four categories, depending on their level of impact, which implies the differentiation of environmental requirements for each of the categories. Operators of facilities that have a negative impact on the environment have obligations to eliminate the consequences of the operation of facilities in accordance with the requirements of the legislation of the Republic of Kazakhstan.

The changes in the Code mainly affected non-mining companies of the first category, which include: Ulba Metallurgical Plant JSC, SSAP LLP, SKZ-U LLP and Kyzylkum LLP. Following detailed technical and commercial assessments during the current year, the Group recognized in 2022 obligations to remediate the consequences of the operation of facilities (Note 32).

35 Contingencies and commitments (continued)

Under the current version of the Code, the Group has an obligation to provide financial security to eliminate the consequences of Category I facilities by July 1, 2024. Financial support is provided in the form of: guarantee; pledge of a bank deposit; pledge of property; insurance. Financial security is provided in one of several types of financial security listed above, or in a combination of them at the choice of the operator of a category I facility, provided that the share of financial security in the form of a bank deposit pledge must be:

1) after ten years from the date of commissioning of the facility (for existing facilities as at July 1, 2021 until 2031) - at least fifty percent of the total amount of financial support;
2) after twenty years from the date of commissioning of the facility for existing facilities as at July 1, 2021 until 2041 - one hundred percent of the total amount of financial support. The operator of category I facility is obliged to ensure the availability of financial security continuously until all its obligations to eliminate the consequences of the operation of such a facility are fully fulfilled.

The amount of financial support is determined in accordance with the methodology approved by the authorized body in the field of environmental protection, based on the estimated cost of work to eliminate the consequences of operating a category I facility, and is subject to recalculation every seven years. According to the Group's calculations, the future cost (undiscounted) of measures to eliminate the consequences of the operation of facilities at Ulba Metallurgical Plant JSC amounted to Tenge 138,724 million.

As at December 31, 2023, the estimated amount of financial support is Tenge 179,623 million. As part of discussions with representatives of the Ministry of Environment, the Group's management understands that changes will be made to the legislation, in accordance with which the conditions and terms for providing financial support will be revised.

The Management of the Group is currently in discussions with the competent authorities regarding the method and timing of funding the liability.

As a result of the assessment of liabilities, non-mining enterprises of categories II-IV did not have significant obligations as at the reporting date.

Guarantees

Guarantees are irrevocable assurances that the Group will make payments in the event that another party cannot meet its obligations. The maximum exposure to credit risk under financial guarantees provided to secure financing of certain related parties at 31 December 2023 is Tenge 16,096 million (2022: Tenge 18,937 million) (Note 6).

Compliance with covenants

The Group is subject to certain covenants related primarily to its liabilities under credit lines and guarantee agreements. The Group complied with all applicable covenants As at 31 December 2023 and 31 December 2023 and during the periods then ended.

Legal proceedings

On 23 July 2021, the Fund for the Protection of the Rights of Investors in Foreign Countries (hereinafter referred to as the Fund), to which the rights of claim were assigned by Quorum Debt Management Group, filed a lawsuit with the Arbitration Court of the Irkutsk Region, Russia, demanding the recovery of funds from the Company in the amount of US Dollars 50,000,000 under a Framework Agreement (support for asset recovery activities) dated 25 December 2013, which was expired on 26 December 2016. By the ruling of the Arbitration Court of the Irkutsk Region dated 31 August 2021, the civil case on the above claim was terminated due to lack of jurisdiction, with which the Company fully agrees, since the agreement provides for jurisdiction under Kazakh procedural legislation. By the decision of the Fourth Arbitration Court of Appeal dated 24 January 2022 and the decision of the Arbitration Court of the East Siberian District dated 24 May 2022, the ruling of the Arbitration Court of the Irkutsk Region dated 31 August 2021 in the above case was left unchanged. However, on 7 December 2022, the Judicial Collegium for Economic Disputes of the Supreme Court of the Russian Federation cancelled the rulings of the Arbitration Court of the Irkutsk Region of 31 August 2021, the rulings of the Fourth Arbitration Court of Appeal of 24 January 2022, and the rulings of the Arbitration Court of the East Siberian District of 24 May 2022 with sending the case for a new trial to the Arbitration Court of the Irkutsk Region in connection with the jurisdiction of this case by the courts of the Russian Federation.

35 Contingencies and commitments (continued)

On 3 May 2023, the Arbitration Court of the Irkutsk Region ruled to satisfy the claims and recover from the Company in favour of Quorum Debt Management Group LLC (previously the Fund was the claimant in the case) US dollars 50,000,000 of losses, as well as Russian roubles 200,000 for the payment of state duty. The Company believes that the decision of the Judicial Collegium for Economic Disputes of the Supreme Court of the Russian Federation of 7 December 2022 was made with violations and intends to appeal the judicial acts to all higher instances.

The Company filed a supervisory appeal against the decision of the Supreme Court of the Russian Federation dated 7 December 2022. However, by the decision of the Supreme Court of the Russian Federation from 18 April 2023, it was refused to transfer the supervisory appeal for consideration by the Presidium of the Supreme Court of the Russian Federation. Also, At 11 May 2023, the Company filed a complaint addressed to the Chairman of the Supreme Court of the Russian Federation against the rulings of the Supreme Court of the Russian Federation and the refusal to transfer the complaint for consideration by the Presidium of the Supreme Court of the Russian Federation. On 7 July 2023, by letter of the Chairman of the Supreme Court of the Russian Federation, the Company's complaint was denied.

Also, the Company filed an appeal against the decision of the Arbitration Court of the Irkutsk Region dated 3 May 2023, as part of the consideration of the appeal, At 19 October 2023, the Court rejected the Company's appeal and upheld the decision of the Arbitration Court of the Irkutsk Region dated 3 May 2023.

On 1 November 2023, the Company filed a cassation appeal against the Resolution of the Fourth Arbitration Court of Appeal dated 19 October 2023, and the Decision of the Arbitration Court of the Irkutsk Region dated 3 May 2023. On 17 January 2024, the Arbitration Court of the East Siberian District satisfied the Company's cassation appeal, judicial acts of 3 May 2023 and 19 October 2023 were canceled and the case was sent back to the court of the first instance for a new trial. The consideration of the civil case in the Arbitration Court of the Irkutsk Region is scheduled for 26 March 2024. As at 31 December 2023, the Company had not recognised a liability in this litigation.

36 Non-controlling interest

The following table provides information about subsidiaries that have a non-controlling interest as at 31 December 2023:

In millions of Kazakhstani Tenge	**Country of incorporation and principal place of business**	**Ownership rights held by non-controlling interest**	**Profit or loss attributable to non-controlling interest**	**Accumulated non-controlling interest**
Name				
JV Inkai LLP	Kazakhstan	40%	70,774	160,880
JV Khorasan-U LLP	Kazakhstan	50%	34,668	147,252
Baiken-U LLP	Kazakhstan	47.5%	17,217	94,769
MC Ortalyk LLP	Kazakhstan	49%	28,053	49,826
Appak LLP	Kazakhstan	35%	9,774	19,076
Ulba Metallurgical Plant JSC	Kazakhstan	5.67%	678	8,410
Volkovgeologiya JSC	Kazakhstan	0.66%	(13)	145
Total			**161,151**	**480,358**

The following table provides information about subsidiaries that have a non-controlling interest as at 31 December 2022:

In millions of Kazakhstani Tenge	**Country of incorporation and principal place of business**	**Ownership rights held by non-controlling interest**	**Profit or loss attributable to non-controlling interest**	**Accumulated non-controlling interest**
Name				
JV Inkai LLP	Kazakhstan	40%	48,497	129,891
JV Khorasan-U LLP	Kazakhstan	50%	24,044	112,584
Baiken-U LLP	Kazakhstan	47.5%	17,452	77,558
MC Ortalyk LLP	Kazakhstan	49%	26,195	42,730
Appak LLP	Kazakhstan	35%	8,029	15,449
Ulba Metallurgical Plant JSC	Kazakhstan	5.67%	819	8,088
Volkovgeologiya JSC	Kazakhstan	1.04%	(121)	159
Total			**124,915**	**386,459**

36 Non-controlling interest (continued)

The summarised financial information of these subsidiaries is as follows:

	Ulba Metallurgical Plant JSC		Appak LLP		JV Inkai LLP		Baiken-U LLP		JV Khorasan-U LLP		MC Ortalyk LLP		Volkovgeologiya JSC	
In millions of Kazakhstani Tenge	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	71,489	112,643	33,041	24,853	201,730	133,314	123,197	86,830	157,370	90,905	62,834	59,750	18,434	9,097
Non-current assets	47,929	42,479	30,467	27,752	208,787	215,967	99,501	102,771	179,207	181,990	52,807	36,564	15,689	11,208
Current liabilities	(12,315)	(57,444)	(5,114)	(4,088)	(14,068)	(11,812)	(6,103)	(6,629)	(11,571)	(14,560)	(8,074)	(4,781)	(20,609)	(15,954)
Non-current liabilities	(13,326)	(14,355)	(3,730)	(4,218)	(31,055)	(34,053)	(16,918)	(19,529)	(30,337)	(33,004)	(5,882)	(4,329)	(5,518)	(162)
Equity, incl.	93,777	83,323	54,664	44,299	365,394	303,416	199,677	163,443	294,669	225,331	101,685	87,204	7,996	4,189
Equity attributable to the Group	85,367	75,235	35,587	28,850	204,514	173,525	104,908	85,885	147,416	112,747	51,859	44,474	7,851	4,030
Non-controlling interest	8,410	8,088	19,077	15,449	160,880	129,891	94,769	77,558	147,253	112,584	49,826	42,730	145	159
Revenue	132,198	121,435	58,056	45,050	240,176	165,966	79,891	74,579	130,789	90,156	125,743	95,240	42,355	29,742
Depreciation and amortisation	(2,281)	(2,066)	(6,240)	(4,084)	(15,858)	(11,812)	(15,667)	(11,921)	(18,617)	(14,823)	(9,063)	(6,490)	(1,764)	(1,503)
Including depreciation and amortisation at fair value arising from business combinations	-	-	-	-	(1,986)	(3,088)	(10,141)	(5,996)	(11,020)	(8,588)	-	-	-	-
Finance income	1,172	855	365	576	465	633	458	619	559	217	402	26,375	124	61
Finance costs	(1,297)	(1,864)	(370)	(428)	(377)	(1,114)	(477)	(244)	(279)	(203)	(440)	(26,469)	(825)	(85)
Income tax expense	(4,119)	(4,165)	(7,023)	(5,688)	(35,323)	(26,047)	(9,067)	(11,082)	(16,061)	(14,162)	(17,378)	(13,982)	(162)	69
Including tax effect of depreciation and amortisation of adjustments t fair value	-	-	-	-	398	616	2,024	1,202	2,204	1,718	-	-	-	-
Net foreign exchange gain	(839)	953	(10)	229	(2,165)	1,542	(404)	529	(1,437)	3,729	(919)	1,686	2	(4)
(Impairment losses)/reversal of impairment losses	(151)	1,054	13	(20)	-	-	31	57	-	-	(37)	(41)	(57)	(18)
Profit for the year	**17,639**	**12,699**	**27,925**	**22,940**	**141,548**	**96,995**	**36,247**	**36,740**	**69,337**	**48,089**	**57,251**	**53,458**	**(1,979)**	**(4,844)**
Profit attributable to the owners of the Company	16,961	11,880	18,151	14,911	70,774	48,498	19,030	19,288	34,669	24,045	29,198	27,263	(1,966)	(4,723)
Profit attributable to non-controlling interest	678	819	9,774	8,029	70,774	48,497	17,217	17,452	34,668	24,044	28,053	26,195	(13)	(121)
Profit/(loss) for the year	**17,639**	**12,699**	**27,925**	**22,940**	**141,548**	**96,995**	**36,247**	**36,740**	**69,337**	**48,089**	**57,251**	**53,458**	**(1,979)**	**(4,844)**
Other comprehensive income/(loss)	8	(726)	(3)	(7)	-	-	(14)	-	-	-	(4)	(11)	-	(16)
Total comprehensive income/(loss) for the year	**17,647**	**11,973**	**27,922**	**22,933**	**141,548**	**96,995**	**36,233**	**36,740**	**69,337**	**48,089**	**57,247**	**53,447**	**(1,979)**	**(4,860)**
Dividends declared to non-controlling interest	358	177	6,145	3,691	39,784	41,727	-	-	-	21,750	20,956	18,316	1	1
Net cash inflow/(outflow) from:														
- operating activities	12,761	9,777	30,424	18,166	96,367	87,391	(8,211)	27,041	(3,861)	48,124	61,431	40,252	1,606	1,719
- investing activities	(3,504)	(2,383)	(10,477)	(10,287)	(13,657)	(10,649)	(7,579)	(7,433)	(13,295)	(13,525)	(23,990)	(12,488)	(6,060)	(3,837)
Including:														
Sale of non-current assets	36	1,252	-	-	-	-	2	45	-	-	-	-	61	3
Acquisition of non-current assets	(3,493)	(3,322)	(10,111)	(8,425)	(13,657)	(10,649)	(8,647)	(6,416)	(13,061)	(12,209)	(23,990)	(11,150)	(6,408)	(3,552)
- financing activities	(7,207)	(4,023)	(17,557)	(10,547)	(79,569)	(75,305)	-	-	(3,500)	(47,000)	(42,773)	(37,382)	9,194	2,791
Net cash inflow/(outflow)	**2,050**	**3,371**	**2,390**	**(2,668)**	**3,141**	**1,437**	**(15,790)**	**19,608**	**(20,656)**	**(12,401)**	**(5,332)**	**(9,618)**	**4,740**	**673**

36 Non-controlling interest (continued)

Allocation of profit between the non-controlling interest of JV Inkai LLP and the Group is impacted by the allocation of JV Inkai LLP dividends. The distribution of dividends is made in accordance with the amendment to the agreement between the parties, and is not based on ownership interests. For 2021, dividends were distributed between the non-controlling interest and the Company in the amount of 59.4% and 40.6%, respectively, for 2022 - in the amount of 50% and 50%, respectively, for 2023 - in the amount of 50% and 50%, respectively. This amendment was agreed by the parties to compensate the non-controlling interest for losses due to a 20% reduction in production in 2021-2022. Accordingly, the amount reclassified from profit attributable to the Group to profit attributable to non-controlling interests in 2023 amounted to Tenge 14,155 million (2022: Tenge 9,700 million).

37 Principal subsidiaries

These consolidated financial statements include the following subsidiaries:

		Ownership	
	Principal activity	**2023**	**2022**
KAP Technology JSC	Communication services	100%	100%
Qorgan-Security LLP	Security services	100%	100%
Appak LLP	Exploration, production, processing and sale of uranium products	65%	65%
Ulba Metallurgical Plant JSC	Production and processing of uranium materials, production of rare metals and semiconductor materials	94.33%	94.33%
Volkovgeologiya JSC	Exploration and research of uranium reserves, drilling services, monitoring of radiation level and environment conditions	99.34%	98.96%
High Technology Institute LLP	Research, project, development and engineering consulting services	100%	100%
MC Ortalyk LLP	Exploration, production, processing and sale of uranium products	51%	51%
RU-6 LLP	Exploration, production, processing and sale of uranium products	100%	100%
Kazatomprom-SaUran LLP	Exploration, production, processing and sale of uranium products	100%	100%
KAP Logistics LLP	Procurement and transportation services	99.9999%	99.9999%
Kazakatom TH AG	Marketing function for sale of uranium, investment and administration of finances, goods and rights	100%	100%
JV Inkai LLP	Exploration, production, processing and sale of uranium products	60%	60%
Baiken-U LLP	Exploration, production, processing and sale of uranium products	52.5%	52.5%
Taiqonyr Qyshqyl Zauyty LLP	Sulfuric acid production	100%	-
JV Khorasan-U LLP	Exploration, production, processing and sale of uranium products	50%	50%

Taiqonyr Qyshqyl Zauyty LLP

In March 2023 the Group established a new subsidiary Taiqonyr Qyshqyl Zauyty LLP (hereinafter - the "TQZ LLP") as part of the project for the construction of a sulfuric acid production plant. Considering that sulphuric acid production is not Group's core business, the Group expects to decrease its ownership in TQZ LLP by attracting external investors.

37 Principal subsidiaries (continued)

These consolidated financial statements include the following joint operations:

	Principal activity	Ownership 2023	Ownership 2022
Karatau LLP	Exploration, production, processing and sale of uranium products	50%	50%
JV Akbastau JSC	Exploration, production, processing and sale of uranium products	50%	50%
Energy Asia (BVI) Limited (EAL)	Commercial and investment activities	50%	50%

All entities are incorporated and operate on the territory of the Republic of Kazakhstan, except for Kazakatom TH AG, which is incorporated in Switzerland and EAL that is registered in the British Virgin Islands.

38 Financial risk management

Accounting policies and disclosures in respect of financial instruments are applied to the following classes of financial instruments:

In millions of Kazakhstani Tenge	Note	2023	2022
Financial assets			
Trade accounts receivable	25	332,036	258,631
Demand deposits	29	108,717	38,274
Other accounts receivable	25	98,283	12,290
Current bank accounts	29	93,685	131,248
Investments in debt securities	26	58,533	9,274
Restricted cash	26	30,779	44,967
Investment in ANU Energy	26	30,667	17,066
Reverse repurchase transaction	29	9,506	-
Loans to related parties	26	2,502	6,027
Other		2,803	2,745
Total financial assets		**767,511**	**520,522**
Financial liabilities			
Trade and other accounts payable	33	176,011	98,809
Bonds	31	82,746	107,316
Promissory note issued	31	3,506	7,002
Issued financial guarantees	34	1,347	1,286
Preferred shares		265	265
Dividends payable to other participants		260	259
Lease liabilities	31	125	173
Bank loans	31	-	23,953
Total financial liabilities		**264,260**	**239,063**

Financial risks are monitored by the Group's risk management function and comprise market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The objectives of the Group's financial risk management policy are to establish risk limits, and then ensure that exposure to risks stays within these limits. Risk management policies and systems risk management function are regularly analysed for the need of revision due to changes in market conditions and the Group operations. The Group's monitors compliance with approved policies and procedures.

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

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Management Board has established a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Management Board and the Board of Directors on its activities.

38 Financial risk management (continued)

Credit risk

The Group has exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the Group's sales of products on credit terms and other transactions with counterparties giving rise to financial assets. Financial assets, which potentially expose the Group to credit risk, consist mainly of trade and other receivables, cash and cash equivalents, term deposits, investments in securities and loans to related parties.

The Group's maximum exposure to credit risk by class of assets is reflected in the carrying amounts of financial assets in the statements of financial position and the nominal amount of financial guarantees (Note 34).

The table below shows quality of Group's financial instruments (credit ratings of banks and other counterparties, where available) as at 31 December 2023:

In millions of Kazakhstani Tenge	**Rated Standard & Poor's AAA to A-**	**Rated Standard & Poor's BBB+ to BBB-**	**Rated Standard & Poor's BB+ to B-**	**Total**
Demand deposits	8	1,498	107,211	108,717
Current bank accounts	88,360	3,443	1,882	93,685
Investment in debt securities	46,276	12,257	-	58,533
Restricted cash	2,288	13,578	14,913	30,779
Reverse repo transaction	-	9,506	-	9,506
Term deposits	-	-	8	8
Total	**136,932**	**40,282**	**124,014**	**301,228**

The table below shows quality of Group's financial instruments (credit ratings of banks and other counterparties, where available) as at 31 December 2022:

In millions of Kazakhstani Tenge	**Rated Standard & Poor's AAA to A-**	**Rated Standard & Poor's BBB+ to BBB-**	**Rated Standard & Poor's BB+ to B-**	**Total**
Current bank accounts	33,291	17,183	80,774	131,248
Restricted cash	9,908	2,842	32,217	44,967
Demand deposits	2,968	3,216	32,090	38,274
Investment in debt securities	-	9,274	-	9,274
Term deposits	-	-	946	946
Total	**46,167**	**32,515**	**146,027**	**224,709**

The Group applies the simplified approach permitted in IFRS 9 to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 month before 31 December 2023 or 31 December 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are not adjusted to reflect forward-looking information on macroeconomic factors because those factors do not significantly affect the risk profile.

38 Financial risk management (continued)

The credit loss allowance for trade receivables is determined according to provision matrix presented in the table below. The provision matrix is based the number of days that an asset is past due. The information as of 31 December 2023 is presented below:

In millions of Kazakhstani Tenge	Loss rate	Gross carrying amount	Lifetime ECL
2023			
Trade receivables			
- current	0.08%	303,425	(242)
- less than 30 days overdue	0.02%	28,834	(6)
- 30 to 90 days overdue	3.85%	26	(1)
- 90 to 180 days overdue	100%	34	(34)
Individually impaired trade receivable (Note 11)	100%	15,692	(15,692)
Total trade receivables (gross carrying amount)		**348,011**	
Credit loss allowance			(15,975)
Total trade receivables from contracts with customers (carrying amount)		**332,036**	

The information as of 31 December 2022 is presented below:

In millions of Kazakhstani Tenge	Loss rate	Gross carrying amount	Lifetime ECL
2022			
Trade receivables			
- current	0.03%	258,607	(70)
- less than 30 days overdue	10.53%	38	(4)
- 30 to 90 days overdue	20%	30	(6)
- 90 to 180 days overdue	20%	46	(10)
Total trade receivables (gross carrying amount)		**258,721**	
Credit loss allowance			(90)
Total trade receivables from contracts with customers (carrying amount)		**258,631**	

38 Financial risk management (continued)

The following table explains the changes in the credit loss allowance for trade and other receivables between the beginning and the end of 2023 as well as impairment provision for trade and other receivables during 2022:

In millions of Kazakhstani Tenge	Trade accounts receivable	Other accounts receivable
Provision at 1 January 2022	172	106
Provision for the year	90	76
Reversal	(172)	-
Amounts written-off	-	(2)
Provision at 31 December 2022	**90**	**180**
Change in estimates	(16)	16
Provision for the year	15,936	70
Reversal	(23)	-
Amounts written-off	(12)	(39)
Provision at 31 December 2023	**15,975**	**227**

The Group's exposure to credit risk in respect of trade accounts receivable is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country, in which customers operate, has no significant influence on credit risk. The Group is exposed to concentrations of credit risk. Approximately 75% of the Group's revenue for 2023 (84% of trade receivables As at 31 December 2023) is attributable to sales transactions with eleven main customers (2022: 75% of Group's revenues and 84% of trade receivables attributable to seven customers). The Group defines counterparties as having similar characteristics if they are related entities.

The Group applies a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

The Group does not require collateral in respect of trade and other receivables.

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

In millions of Kazakhstani Tenge	2023	2022
Canada	99,217	54,239
China	65,555	143,154
Kazakhstan	58,614	8,100
Russia	45,940	12,989
United Kingdom	24,414	30,712
USA	22,514	8,338
Romania	14,751	-
European Union	469	403
Japan	420	696
Argentina	142	-
Total	**332,036**	**258,631**

Credit risk exposure in respect of loans to related parties (Note 26) arises from possibility of non-repayment of loans. For loans to joint ventures and associates, the Group manages the credit risk by requirement to provide collateral in lieu of borrowers' property. Borrowers do not have a credit rating.

38 Financial risk management (continued)

Expected Credit Loss (ECL) measurement

Measurement of ECLs is an estimate that involves determination methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default (“PD”), exposure at default (“EAD”), and loss given default (“LGD”), as well as models of macro-economic scenarios. The Group regularly reviews and validates the models and inputs to the models to reduce any differences between expected credit loss estimates and actual credit loss experience of issued loans and guarantees.

The Group used supportable forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. Several assumptions that are easily interpretable can be selected for analysis: GDP growth rate, inflation rate, exchange rate, crude oil price and current economic indicator. Final macroeconomic scenario includes only historically observed values of the inflation rate and the share of overdue loans. Forward-looking information is included in parameters of PD within the horizon of the next year after the reporting date. In addition, to calculate credit losses, the corporate average cumulative default probabilities are updated annually according to S&P's Annual Global Corporate Default Study and Rating.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group is exposed to daily calls on its available cash resources. Liquidity risk is managed by the treasury department of the Group. Management monitors monthly rolling forecasts of the Group’s cash flows.

The Group seeks to maintain a stable funding base primarily consisting of borrowings, trade and other payables and debt securities. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due, under both normal and stressful conditions, without incurring unacceptable losses or risking damage to the Group’s reputation. The Group invests available cash funds in diversified portfolios of liquid assets, in order to be able to respond quickly to unforeseen liquidity requirements.

The Group ensures that it has sufficient cash on demand to meet expected operational expense or financial obligations which excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Below is a summary of the Group’s undrawn borrowing facilities and available cash and cash equivalents, including current term deposits, which are the important instruments in managing the liquidity risk:

In millions of Kazakhstani Tenge	**2023**	**2022**
Undrawn borrowing facilities	115,004	84,665
Current term deposits	108,725	39,204
Current bank accounts	93,685	131,248
Reverse repo transaction	9,506	-
Total	**326,920**	**255,117**

The table below shows liabilities at the reporting date by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount included in the statements of financial position because the statement of financial position amount is based on discounted cash flows.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

38 Financial risk management (continued)

The following are the contractual maturities of financial liabilities at 31 December 2023:

In millions of Kazakhstani Tenge	Carrying value	Contractual cash flows	On demand and less than 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years
Trade and other accounts payable	176,011	176,011	-	176,011	-	-	-
Bonds	82,746	85,440	-	-	85,440	-	-
Promissory notes issued	3,506	3,506	-	3,506	-	-	-
Issued financial guarantees	1,347	16,096	16,096	-	-	-	-
Preferred shares	265	265	-	-	-	265	-
Dividends payable to other participants	260	260	-	-	260	-	-
Lease liabilities	125	202	-	11	32	127	32
Total	**264,260**	**281,780**	**16,096**	**179,528**	**85,732**	**392**	**32**

The following are the contractual maturities of financial liabilities at 31 December 2022:

In millions of Kazakhstani Tenge	Carrying value	Contractual cash flows	On demand and less than 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years
Bonds	107,316	114,706	-	23,216	861	90,629	-
Trade and other accounts payable	98,809	98,809	-	98,809	-	-	-
Bank loans	23,953	24,161	-	24,161	-	-	-
Promissory notes issued	7,002	7,002	7,002	-	-	-	-
Issued financial guarantees	1,286	18,937	18,937	-	-	-	-
Preferred shares	265	265	-	-	-	265	-
Dividends payable to other participants	259	259	-	-	259	-	-
Lease liabilities	173	259	-	12	38	154	55
Total	**239,063**	**264,398**	**25,939**	**146,198**	**1,158**	**91,048**	**55**

Market risk

The Group has exposure to market risks. Market risk is the risk that changes in market prices will have a negative impact on the Group's income or the value of its financial instrument holdings. Market risks arise from open positions in (a) foreign currencies, (b) interest bearing assets and liabilities and (c) equity products, all of which are exposed to general and specific market movements. The objective of market risk management is to monitor and control market risk exposures within acceptable limits, while optimising the return on investments. Management sets limits on the value of risk that may be accepted, which is monitored on a daily basis. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

Sensitivities to market risks included below are based on a change in a factor while holding all other factors constant. In practice this is unlikely to occur and changes in some of the factors may be correlated – for example, changes in interest rate and changes in foreign currency rates.

Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings which are denominated in currencies other than the functional currency. Borrowings are denominated in currencies that match the cash flows generated by operating entities in the Group. Therefore, in most cases, economic hedging is achieved without derivatives. In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by planning future expenses taking into consideration the currency of payment. The Group is mainly exposed to the risk of US Dollars currency fluctuations.

38 Financial risk management (continued)

The Group's exposure to currency risk was as follows:

In millions of Kazakhstani Tenge	2023	2022
Denominated in US Dollars		
Trade accounts receivable	210,774	248,201
Current bank accounts	88,168	97,471
Demand deposits	52,287	385
Other investments	42,986	26,487
Other accounts receivable	23,304	7,508
Loans to related parties*	2,502	5,933
Term deposits	-	922
Other assets	855	1,646
Total assets	**420,876**	**388,553**
Bonds*	(82,746)	(107,316)
Trade and other accounts payable	(19,666)	(6,350)
Issued financial guarantees	(1,347)	(1,286)
Bank and non-bank loans	-	(23,202)
Total liabilities	**(103,759)**	**(138,154)**
Net exposure to currency risk	**317,117**	**250,399**

** Loan given to Kyzylkum LLP and bonds are nominated in Tenge but are subject to indexation for changes in US Dollar/Tenge exchange rate.*

A 14% weakening and 14% strengthening of Tenge against US Dollar as at 31 December 2023 (2022: 21% weakening and 21% strengthening) would increase/(decrease) equity and profit or loss by the amounts shown below.

In millions of Kazakhstani Tenge	2023	2022
US Dollar strengthening by 14% (2022: 21%)	35,898	42,067
US Dollar weakening by 14% (2022: 21%)	(35,898)	(42,067)

Movements of Tenge against US Dollar above represent reasonably possible changes in market risk estimated by analysing annual standard deviations based on the historical market data for 2023 and 2022.

Price risk on uranium products

The Group is exposed to the effect of fluctuations in the price of uranium, which is quoted in US Dollar on the international markets. The Group prepares an annual budget based on future uranium prices.

Uranium prices historically fluctuate and are affected by numerous factors outside of the Group's control, including, but not limited to:

- demand for uranium used as fuel by nuclear power stations;
- depleting levels of secondary sources such as recycling and blended down highly enriched stocks available to close the gap of the excess demand over supply;
- impact of regulations by the International Agency on Nuclear Energy;
- other factors related specifically to uranium industry.

At the end of the reporting period there was no significant impact of commodity price risk on the Group's financial assets and financial liabilities except for investments in ANU Energy OEIC Ltd. (Note 26).

38 Financial risk management (continued)

A 20% weakening and 20% strengthening of Tenge against spot price as at 31 December 2023 would increase/(decrease) equity and profit or loss by the amounts shown below.

In millions of Kazakhstani Tenge	2023	2022
Spot price increase by 20%	6,224	5,324
Spot price increase by 20%	(6,224)	(5,324)

Interest rate risk

Changes in interest rates impact loans and borrowings by changing either their fair value (fixed rate debt) or their future cash flows (floating rate debt). At the time of raising new loans or borrowings, management uses its judgement to decide whether it believes that a fixed or a floating rate would be more favourable to the Group over the expected period until maturity. As at 31 December 2023 100% (2022: 100%) of the Groups borrowings have a fixed interest rate. At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

In millions of Kazakhstani Tenge	2023	2022
Fixed rate instruments		
Demand deposits	108,717	38,274
Investment in debt securities	58,533	9,274
Restricted cash	30,779	44,967
Reverse repurchase transaction (reverse repo)	9,506	-
Loans to related parties	2,502	6,027
Term deposits	8	946
Bonds	(82,746)	(107,316)
Promissory notes issued	(3,506)	(7,002)
Bank loans	-	(23,953)
Net position	**123,793**	**(38,783)**

Fair value sensitivity analysis for fixed rate instruments

The Group has only fixed rate instruments. The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. However, fixed rate financial assets and financial liabilities are exposed to fair value risk from change in interest rates. Reasonably possible changes in interest rates do not significantly affect fair values of those financial assets and financial liabilities.

Capital management

The Group's policy is to maintain a strong capital base so as to safeguard the Group's ability to continue as a going concern, to maintain investor, creditor and market confidence, to provide returns for shareholders, to maintain an optimal capital structure to reduce the cost of capital, and to sustain future development of the business. Capital includes all capital and reserves of the Group as recorded in the consolidated statements of financial position.

The Group may sell uranium for non-military purposes and only to customers residing in countries which signed the Nuclear Non-Proliferation Treaty and are members of the International Agency on Nuclear Energy. In addition, the Group must maintain certain internal qualitative capital management targets based on the Group's consolidated financial information, such as total shareholder return, free cash flow, EBITDA margin.

The Group applies the Policy on borrowings and financial sustainability management, which is aimed to manage financial risks by adopting common principles and rules of debt management and financial sustainability for non-financial organisations. The Group has complied with all externally and internally imposed capital requirements during 2023 and 2022, requirements associated with borrowing facilities.

39 Fair value disclosures

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Financial assets carried at amortised cost

Estimate of all financial assets carried at amortised cost is Level 3 measurement, except for cash and cash equivalents, which is in Level 2. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities. Discount rates used depend on the credit risk of the counterparty.

All financial assets of the Group as at the end of the reporting period are carried at amortised cost except as disclosed below.

Financial assets carried at FVTPL

Financial assets carried at FVTPL include derivative asset and investment in ANU Energy OEIC Ltd. (Note 26) that are recognised at fair value through profit and loss. The Group estimates fair value of investment in ANU Energy OEIC Ltd. as a percentage of Group's owned share multiplied by the fair value of uranium held by the entity as at the date. Fair value measurement falls in Level 2 category. The main inputs used in fair value estimation are spot prices for uranium pulished by UxConsulting LLP and TradeTech LLP independent nuclear industry's market research and analysis companies. Fair value of a derivative asset is determined based on binominal model with uranium spot price forecasts. This is a Level 3 category.

Liabilities carried at amortised cost

Fair values of other liabilities were determined using valuation techniques. The estimated fair value of fixed interest rate instruments with stated maturities were estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risks and remaining maturities. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date on which the amount could be required to be paid. The weighted average discount rate is 6.83% p.a (2022: 4.94%).

Fair values versus carrying amounts

With the exception of instruments specified in the following table, the Group believes that the carrying value of financial assets and financial liabilities are recognised in the consolidated financial statements approximate their fair value:

	2023		2022	
In millions of Kazakhstani Tenge	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Financial liabilities				
Bonds	82,746	80,924	83,300	82,288
Total	**82,746**	**80,924**	**83,300**	**82,288**

In assessing fair values, management uses the following major methods and assumptions: (a) for interest free financial liabilities and financial liabilities with fixed interest rate, financial liabilities were discounted at effective interest rate which approximates the market rate; (b) for financial liabilities with floating interest rate, the fair value is not materially different from the carrying amount because the effect of the time value of money is immaterial.

40 Presentation of financial instruments by measurement category

For the purposes of measurement, IFRS 9 Financial Instruments classifies financial assets into the following categories: (a) financial assets at FVTPL; (b) debt instruments at FVOCI, (c) financial assets at AC. Financial assets at FVTPL have two sub-categories: (i) assets mandatorily measured at FVTPL, and (ii) assets designated as such upon initial recognition or subsequently. All of the Group's financial assets as at the end of reporting period fell into the category AC, except for the financial derivative asset and investment in ANU Energy OEIC Ltd. (Note 26), classified as FVTPL upon initial recognition. All of the Group's financial liabilities were carried at amortised cost.

41 Events after the reporting period

Control over JV Budenovskoe LLP

The Group obtained control over JV Budenovskoe LLP from 1 January 2024 as a result of significant changes in Charter and Foundation agreement that became effective from 1 January 2024. The Group's ownership interest remained the same, 51%. The Group plans to complete the assessment of fair value for the business combination until the end of 2024. The carrying value of JV Budenovskoy LLP's assets and liabilities as of 31 December 2023 are disclosed in Note 24. Also on 11 March 2024, JV Budenovskoye LLP received a loan from the second participant in the amount of Tenge 4,500 million with a repayment period until March 2025.

Addendum to the subsoil use contract of Semizbay-U LLP

Addendum to subsoil use contract for Irkol field that had an expiration date on 4 March 2024, was signed on 28 February 2024 with the new contract date of 2030.