LABRIS GROUP LLP

EXPLANATORY NOTE TO THE FINANCIAL STATEMENTS
for the period ended June 30, 2025

CONTENTS

(in thousands of Kazakhstani Tenge)

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE CONTINUATION AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The following statement, which should be read in conjunction with the independent auditors' responsibilities stated in the independent auditors' report, is made with a view to distinguishing the respective responsibilities of the independent auditors from those of management in relation to the financial statements of LABRIS GROUP LLP.

(the "Company").

Management is responsible for the preparation of financial statements that present fairly the financial position of the Company as at June 30, 2025 and the results of its operations, changes in equity and cash flows for the year ended June 30, 2025 in accordance with International Financial Reporting Standards ("IFRS").

In preparing the financial statements, management is responsible for:

- selecting appropriate accounting principles and applying them consistently;
- application of reasonable estimates and calculations;
- compliance with the requirements of IFRS;
- preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business for the foreseeable future.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls for the Company;
- Maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the financial statements comply with IFRS;
- maintaining accounting records in accordance with the laws of the Republic of Kazakhstan;
- taking measures within its competence to ensure the safety of the Company's assets;
- detection and prevention of unfair acts, errors and other abuses.

Management reasonably expects that the Company will continue as a going concern for the foreseeable future. The financial statements of the Company have therefore been prepared on a going concern basis.

These financial statements for the year ended, June 30, 2025 were approved by the Company's management on June 30, 2025.

On behalf of the Management of LABRIS GROUP LLP

Iskakov B.E.	**Kryukova A.V.**
Director	**Chief Accountant**

1. GENERAL PART

LABRIS GROUP LLP (hereinafter referred to as the "Company") is a legal entity and carries out its activities on the basis of the current legislation of the Republic of Kazakhstan and the Charter.

Primary registration of the Company was made on 27 March 1997 as LABRIS-TV PLUS TELERADIO COMPANY LLP. By the decision of the sole founder №03 from 23 January 2025 it was renamed into LABRIS GROUP LLP.

The principal activities of the Company are:

- Wholesale of a wide range of goods without any specificity.

The authorised capital of the Partnership is 280 thousand tenge. At the moment of registration the contribution was made in full.

Participant Information:

Participants	Percentage	
	June 30, 2025	**December 31, 2024**
Batyrkhan Iskakov	100,00%	100,00%

The reporting period covers the period from January 01 to June 30, 2025.

Legal and actual address of the Company: Republic of Kazakhstan, Pavlodar region, Ekibastuz city, Mukhtar Auezov str. 15.

The average number of the Company as at June 30, 2025 and December 31, 202 is 3 and 3, respectively.

These financial statements of the Company were authorised for issue on 30 June 2025.

2. THE BASIS FOR PREPARING THE COMPANY'S FINANCIAL STATEMENTS

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

The Company maintains its accounting records in Kazakhstani monetary units (Tenge) in accordance with the effective legislation of the Republic of Kazakhstan. These financial statements are presented in thousands of Tenge.

These financial statements have been prepared under the historical cost convention except for certain assets measured at fair value.

There are two fundamental assumptions in the preparation of the financial statements - the use of the accrual basis of accounting and the going concern basis of.

Accrual-based financial statements inform users not only of past transactions involving the payment and receipt of cash, but also of commitments to pay money in the future and of resources representing cash to be received in the future.

The financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the normal course of business. These financial statements do not include any adjustments that would be necessary if the Company were unable to continue as a going concern. The financial statements have been prepared on the historical cost basis except for financial instruments that are initially recognised at fair value.

The initial cost of an acquisition is generally determined based on the fair value of the consideration given in exchange for the assets.

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, irrespective of whether that amount is directly observable or determined using another valuation technique.

Fair value measurements are categorised into levels for reporting purposes depending on the observability of the inputs and whether they are significant to the measurement:

- Level 1 - quoted prices (unadjusted) for the same assets and liabilities in active markets that the Partnership can observe at the measurement date;
- Level 2 - inputs that do not correspond to level 1 but are observable for the asset or liability, either directly or indirectly;
- Level 3 - unobservable inputs for the asset and liability.

Business continuity principle

These financial statements have been prepared on the assumption that the Partnership will continue as a going concern and that there are no indicators that the Partnership will enter into liquidation or significantly reduce its operations in the near future.

Use of estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management of the Partnership to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the period. Estimates have been made primarily in respect of leave provisions, audit provisions, contingent liabilities and commitments, provisions for impairment of property, plant and equipment, intangible assets and inventories, cash balances with banks, and allowances for doubtful debts. Actual results may differ from these estimates.

Functional and presentation currency

The functional currency of the Partnership, which reflects the economic substance of its operations, and the presentation currency of these financial statements is the Kazakhstan Tenge ("KZT").

3. SIGNIFICANT ACCOUNTING POLICIES

New standards, clarifications and amendments to existing standards and clarifications

Standards that have been issued but are not yet effective

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

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new comprehensive financial reporting standard for insurance contracts that addresses recognition and measurement, presentation and disclosures. When IFRS 17 becomes effective, it will replace IFRS 4 Insurance Contracts, which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life and non-life insurance, direct insurance and reinsurance) regardless of the type of entity that issues them, as well as to certain guarantees and financial instruments with discretionary participation conditions. There are a few exceptions to the scope. The main objective of IFRS 17 is to provide an accounting model for insurance contracts that is more efficient and consistent for insurers. Unlike the requirements of IFRS 4, which are largely based on previous local accounting policies, IFRS 17 provides a comprehensive model for accounting for insurance contracts, covering all relevant aspects of accounting. IFRS 17 is based on the general model, supplemented by the following:

- Certain modifications for insurance contracts with direct participation terms (variable remuneration method).
- Simplified approach (premium allocation approach) mainly for short-term contracts.

IFRS 17 is effective for accounting periods beginning on or after 1 January 2023 and comparative information is required. Early application is permitted provided that the entity also applies IFRS 9 and IFRS 15 on or before the date of first-time adoption of IFRS 17. The standard is not applicable to the Company's operations.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69-76 of IAS 1 that clarify the requirements for classifying liabilities as current or non-current. The amendments clarify the following:

- what is meant by the right to defer settlement of obligations;
- the right to defer settlement must exist at the end of the reporting period;
- the classification of the liability is not affected by the likelihood that the entity will exercise its right to defer settlement of the liability;
- the terms of the liability will not affect its classification only if the derivative embedded in the convertible liability is itself an equity instrument.

These amendments are effective for annual periods beginning on or after 1 January 2023 and are applied retrospectively. The Company is currently analysing the potential impact of these amendments on the current classification of its liabilities.

Amendments to IAS 8 - Determining Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8 that introduce a definition of 'accounting estimates'. The amendments clarify the difference between changes in accounting estimates and changes in accounting policies and error correction. It also clarifies how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period. Early application is permitted provided that it is disclosed. These amendments are not expected to have a material impact on the Company.

The accounting policies have been developed on the basis of assumptions:

- that for the Partnership it is an internal regulatory document defining a unified set of principles, rules of organisation of accounting and preparation of financial statements;
- that the Partnership is operating, and will continue to operate, for the foreseeable future;
- the accounting policies adopted by the Partnership are applied consistently from year to year. If an accounting policy is changed, the accounting policy is applied retrospectively, i.e. the new accounting policy is applied to events and transactions that occurred before the date of the change in accounting policy when preparing comparative figures.

The principal accounting policies applied in the preparation of these financial statements are set out below.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses.

At the end of each reporting period management assesses whether there is any indication of impairment of property, plant and equipment. If any indication of impairment exists, 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.

The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior periods is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Gains and losses on disposals determined by comparing proceeds with carrying amount are recognised in profit or loss for the year (within other operating income or expenses).

Depreciation is charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of the assets. Depreciation is recognised over the following average useful lives of the assets:

	Useful life (years)
Machinery and equipment	*10-30*
Vehicles	*5-25*
Others	*3-5*

The estimated useful life and depreciation method are assessed at the end of each annual reporting period and any changes in estimate are accounted for on a prospective basis. The residual value of an asset is nil if the Company intends to use the asset until the end of its physical life.

Intangible assets

Intangible assets are initially recognised at cost.

Once recognised, intangible assets are measured at cost, which is the sum of the monetary costs of acquisition or internally generated intangible assets, including unrecoverable taxes and duties paid and other costs directly attributable to bringing the intangible assets to a condition ready for their intended use. The cost of intangible assets is subject to monthly amortisation using the straight-line (uniform) method and ceases when their original cost is written off in full.

Impairment of non-financial assets

The Company assesses at each statement of financial position date whether there is any indication that the carrying amounts of property, plant and equipment and intangible assets may be impaired. If any such indication exists, an assessment is made as to whether the recoverable amount of the asset may be impaired. If it is not possible to estimate the recoverable amount for an individual asset, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is calculated at the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to the recoverable amount of the asset. An impairment loss is recognised as an expense immediately, unless the relevant asset (land, buildings other than investment property or equipment) is carried at a revalued amount, in which case the impairment loss is recognised as an expense. In this case, the impairment loss is recognised as a decrease in the related revaluation reserve.

Impairment losses of continuing operations (including impairment of inventories) are recognised in the statement of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset, except for previously revalued property, plant and equipment, where the revaluation was recognised in other comprehensive income. In this case, an impairment loss is also recognised in other comprehensive income to the extent of the previous revaluation.

If an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately as income.

Prepayments

Prepayments are reported at actual cost.

A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset that will be classified as non-current upon initial recognition. Prepayments to acquire an asset are included in the carrying amount of the asset when the Company obtains control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying amount of the prepayment is written down and a corresponding impairment loss is recognised in profit or loss for the year.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised directly in profit or loss.

Subsequent categorisation

Financial assets

The classification of financial instruments at initial recognition depends on the contractual terms of the instruments and the business model used to manage the instruments.

The Company classifies all of its financial assets, based on the business model used to manage the assets and the contractual terms of the assets, as measured at:

- amortised cost;
- fair value through profit or loss (FVTPL);
- fair value through other comprehensive income (FVOCI).

Financial assets measured at amortised cost (debt instruments)

This category is the most relevant for the Company. The Company measures financial assets at amortised cost when both of the following conditions are met:

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

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

Financial assets at fair value through profit or loss

The category of financial assets at fair value through profit or loss includes financial assets held for sale classified at the Company's discretion upon initial recognition as at fair value through profit or loss. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss irrespective of the business model used.

As at the reporting date, the Company does not have any financial assets in this category.

Financial assets at fair value through other comprehensive income

The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

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

As at the reporting date, the Company does not have any financial assets in this category.

Impairment of financial assets

The Company recognises a valuation allowance for expected credit losses (UCL) on trade receivables, all loans and other debt financial assets not at fair value through profit or loss. GCC is calculated as the difference between the contractual cash flows due to the Company and all cash flows expected to be received by the Company. The estimated future cash flows are discounted at a rate that approximates the original effective interest rate for a similar instrument with a similar credit rating.

CMOs are recognised in two stages. For financial instruments where credit risk has not increased significantly since initial recognition, a valuation allowance is recognised for losses in respect of credit losses that may arise from defaults expected to occur within the next 12 months (12-month CMOs). For financial instruments where credit risk has increased significantly since initial recognition, a valuation allowance is established for losses in respect of credit losses expected to arise over the remaining life of the financial instrument, irrespective of the timing of default (lifetime CMOs).

For trade receivables and contract assets, the Company applies a simplified approach in calculating the CMO. Consequently, the Company does not monitor changes in credit risk, but instead recognises a valuation allowance for losses at each reporting date in an amount equal to the lifetime CMO. The Company utilised a valuation allowance model which is prepared taking into account past credit loss experience adjusted for borrower specific factors and general economic conditions.

For amounts due from credit institutions (cash and cash equivalents, bank deposits), the Company calculates CMOs for a 12-month period. 12-month CMOs are the portion of full term CMOs that represent CMOs that arise from defaults on a financial instrument occurring within 12 months after the reporting date. However, in the event of a significant increase in the credit risk of a financial instrument since initial recognition, the estimated allowance for losses is measured at an amount equal to the lifetime CMO.

The Company considers that there has been a significant increase in credit risk if contractual payments are overdue by more than 180 days. A financial instrument is also considered to be in default if contractual payments are overdue by 360 days. However, in certain cases, the Company may also conclude that a financial instrument is in default if internal or external information indicates that it is unlikely that the Company will receive the full amount of the remaining contractual payments without taking into account credit enhancement mechanisms for financial assets held by the Company.

Derecognition

Financial assets are derecognised when the Company loses control over the contractual rights to the asset. This occurs when the rights are realised, transferred or expire.

Financial liabilities

Financial liabilities comprise loans received, trade and other payables.

Subsequent evaluation

Subsequent measurement depends on their classification. Loans receivable, trade and other payables after initial recognition are measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and as they are amortised using the effective interest rate method.

Derecognition

A financial liability is derecognised when the obligation is discharged, cancelled or expires.

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

Offsetting of financial instruments

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

Cash and cash equivalents

Cash includes cash on hand, cash in bank accounts (current and foreign currency accounts, demand deposit account).

Stocks

Inventories are stated at cost when received, which includes all necessary expenditure incurred to acquire them.

The cost of purchased inventories comprises: the cost of acquiring inventories, transportation and logistics costs incurred in bringing them to their existing location and condition.

Inventories are stated at the lower of cost and net realisable value. When sold or otherwise disposed of, they are valued using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion or completion and estimated costs necessary to make the sale.

The Partnership reviews inventories annually for indicators of impairment based on annual inventory counts performed as of the balance sheet date. As at June 30, 2025, there were no indicators of impairment of inventories.

Estimating the fair value of assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that a transaction to sell an asset or transfer a liability occurs:

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

The Company must have access to the principal or most favourable market. The fair value of an asset or liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best interests.

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

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

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

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

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

External appraisers are engaged for valuation of significant assets such as real estate. Property, plant and equipment are valued at five-year intervals. Appraisers are selected on a competitive basis. Selection criteria include market knowledge, reputation, independence and compliance with professional standards.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Partnership provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for assets with maturities greater than one year after the balance sheet date (such assets are classified as non-current assets).

The Partnership assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. Financial assets or a group of financial assets are tested for impairment and an impairment loss is recognised in the statement of comprehensive income when subsequent events (realisations) indicate that the impairment loss has been incurred.

Accounts receivable are carried at amortised cost using the effective interest rate method. Accounts receivable are stated at invoice amount less allowance for doubtful debts and include value added tax.

Value added tax

Value added tax arising on sales is payable to the state budget upon dispatch of goods (services) to customers. VAT included in the cost of purchased goods and services is reclaimable by offset against VAT payable upon receipt of goods and services. Such offsetting is performed in accordance with the tax legislation of the Republic of Kazakhstan. VAT is recognised in the balance sheet on a net basis and disclosed separately as a current asset and a current liability.

Taxation

Corporate income tax comprises current and deferred tax. Current corporate income tax is recognised in profit or loss, deferred tax is recognised in profit or loss, except when it relates to items recognised directly in equity or other comprehensive income. In those cases, it is recognised in equity or other comprehensive income. Taxable profit differs from net profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

The Company's current year corporate income tax charge is calculated using tax rates enacted or substantively enacted at the date of the financial statements.

Current corporate income tax is the expected tax payable on taxable income for the year, calculated using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred corporate income tax is provided using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The amount of deferred corporate income tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets or liabilities, using tax rates enacted or substantially enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences, unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the tax asset will be realised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient tax benefit will be realised to allow all or part of the asset to be recovered.

In addition to corporate income tax, the Republic of Kazakhstan has various taxes and fees that are assessed on the Company's operating activities. These taxes are included within cost of sales, distribution expenses and administrative expenses, respectively, in the Company's profit or loss for the reporting period.

Pension and other liabilities

The Company does not have any pension arrangements separate from the State pension scheme of the Republic of Kazakhstan, which requires current withholdings by the employer calculated as a percentage of current salary payments. The Company makes pension contributions on behalf of its employees to a pension fund. The Company has no post-employment benefit obligations.

Revenue recognition on contracts with customers

An entity shall recognise revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. The Company recognises revenue when or as the promised goods or services are transferred to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services. The Company applies a single five-step model to all contracts with customers.

Sale of goods

The Company recognises revenue at the point in time when control of the asset is transferred to the customer, which is usually upon delivery of the goods. When goods are sold, the Company follows the principle of recognising revenues and expenses in one period, which has no impact on profit or loss in subsequent periods.

Variable consideration

Contracts with customers do not provide for variable consideration in the form of special discounts, price concessions, performance incentives or other similar items.

The contracts with customers do not provide for the right to return goods other than returns due to defects existing at the time of sale. The Partnership also does not provide volume rebates to customers.

Significant component of funding

As a result of the practical expedient in IFRS 15, an entity does not adjust promised consideration for the effects of a significant financing component if, at contract inception, it expects that the period between transfer of the promised good or service to the customer and payment by customers for that good or service will be one year or less.

Advance payments received from customers

The Company determines whether contracts contain a significant financing component. Generally, the Company only receives short-term advances from customers. These are recognised in advances received or in other payables. In addition, the period of time between when the Company transfers promised goods (services) to the customer and when the customers pay for such goods (services) is relatively short.

Contractual balances

Contract assets

A contract asset is the Company's right to receive consideration in exchange for goods or services transferred to a customer. If the Company transfers goods or services to the customer before the customer pays the consideration or before the consideration becomes payable, a contract asset is recognised for the contingent consideration received.

Trade receivables

Accounts receivable represent the Company's right to receive consideration that is unconditional (i.e. the passage of time is the only time that determines when such consideration becomes due). The accounting policy for financial assets is discussed under "Financial Instruments - Initial Recognition and Subsequent Measurement".

Contractual obligations

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

Financial income

Finance income is recognised when interest is accrued using the effective interest method, i.e. at a rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Related party disclosures

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In assessing each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties, other than those subject to legal restrictions, may enter into transactions which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

Events after the reporting date

Subsequent events are those events, both favourable and unfavourable, that occur between the reporting date and the date the financial statements are authorised for issue. Events that confirm the existence of a condition at the reporting date are recognised in the financial statements (adjusting events). Events evidencing conditions that occurred after the reporting date are not recognised in the financial statements (non-adjusting events).

Estimated and contingent liabilities, contingent assets

Estimated liabilities are liabilities of uncertain timing or amount, they are recognised when:

- the Company has an existing obligation (legal or imputed) as a result of a past event;
- it is probable that some outflow of resources will be required to fulfil that obligation;
- the amount of the obligation can be reliably estimated.

Contingent liabilities are present obligations that arise from past events but are not recognised because the need for an outflow of resources to settle the obligation is not probable or the amount of the obligation cannot be reliably estimated.

Contingent liabilities are not recognised but are disclosed unless the possibility of any outflow of resources is remote.

Contingent assets are not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

Areas of significant management judgement and sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the period ended. Management evaluates its judgements and estimates on a regular basis.

Management bases its estimates and judgements on historical experience and on various factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions and conditions.

Accounting estimates and assumptions are reviewed on a going concern basis. Changes in accounting estimates are recognised in the period in which the changes occur.

The key assumptions and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Impairment of financial assets

The Company recognises provisions for expected credit losses on receivables. In estimating expected credit losses, the Company applied the simplified approach prescribed by the standard and calculated expected credit losses over the life of these financial assets. The Company used a valuation allowance model which is based on historical credit loss experience adjusted for borrower specific factors and general economic conditions.

For all other financial instruments, the Company recognises credit losses expected over the life of the financial instrument when there is a significant increase in credit risk since the initial recognition of the financial instrument.

Useful life of property, plant and equipment

The Company assesses the remaining useful lives of items of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate in accordance with IFRS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

(in thousands of Kazakhstani Tenge)

Estimation of the impact of deferred corporate income tax

At each reporting date, the Company's management determines the future income tax consequences of deferred corporate income tax by reconciling the carrying amounts of assets and liabilities in the financial statements to their respective tax bases. Deferred assets and liabilities are measured at tax rates applicable to the period in which the assets are expected to be realised and the liabilities settled. Deferred tax assets are recognised to the extent that it is probable that sufficient future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are measured at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4. SUPPLIES

	June 30, 2025	December 31, 2024
Spring barley	-	169 643
Brick	-	200 000
Pallets	-	6 250
Scrap and waste of ferrous metals	71 436	
	71 436	**375 893**

The Company's inventories are not pledged as collateral.

5. TRADE AND OTHER RECEIVABLES

	June 30, 2025	December 31, 2024
Trade receivables	159 772	-
Other receivables	372 764	129 200
Less: allowance for expected credit losses	-	-
	532 536	**129 200**

6. ADVANCES PAID AND OTHER CURRENT ASSETS

	June 30, 2025	December 31, 2024
Advances paid	669 296	451 093
VAT recoverable	52 449	6 669
Prepayment of other taxes		-
Prepaid expenses	95 409	97
Others		-
	817 154	**457 859**

7. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024
Cash deposits with maturity of three months and less	-	-
Cash on current accounts	123	25 501
Cash on hand	656	57 429
	779	**82 930**

8. AUTHORISED CAPITAL

The authorised capital of the Company is **Tenge 280 thousand**. As at June 30, 2025 it is fully paid up.

(in thousands of Kazakhstani Tenge)

9. BORROWINGS

As at June 30, 2025	Currency	Opening date	Closing date	Trade margin	Total
Branch of ISLAM BANK ZAMAN-BANK JSC in Ekibastuz city	KZT	06.11.2024	06.05.2025	4 032	50 400
					50400

As at June 30. 2025	Currency	Opening date	Closing date	HESA, %	Total
PRIVATE COMPANY IKAPITALIST LTD	KZT	11.12.2024	11.12.2025	33,00%	234 095
					234 095
					284 495

The main purpose of the financing was to replenish the Company's working capital. The remaining debt on loans, as of the date of the report, **is 147,436 thousand tenge**.

10. TRADE AND OTHER PAYABLES

	June 30, 2025	December 31, 2024
Trade payables	194 450	-
Settlements with labour remuneration personnel	-	4 647
Other short-term accounts payable	-	110
	194 450	**4 757**

Trade payables are denominated in the following currencies:

	June 30, 2025	December 31, 2024
in American dollars	-	-
in Russian roubles	-	-
in tenge	194 450	4 757
	194 450	**4 757**

11. LIABILITIES FOR TAXES AND MANDATORY PAYMENTS

	June 30, 2025	December 31, 2024
Individual income tax	461	518
Social tax	41	436
VAT	69 937	-
Other taxes	-	699
Liabilities for other mandatory and voluntary payments	1 111	925
Other short-term accounts payable	-	-
	71 550	**2 578**

12. REALISATION PROCEEDS

By type of goods	2025	2024
Realisation of wheat	-	46 607
Realisation of rye	-	100 938
Realization of spring barley	346 917	267 000
Rapeseed sales	-	80 357
Realisation of other	-	29 905
Sale of seed potatoes of the Gala variety of the II reproduction	177 857	-
Subletting of special equipment	58 036	-
	582 810	**524 807**

By geographical regions of customers	2025	2024
Republic of Kazakhstan	582 810	524 807
	582 810	**524 807**

(in thousands of Kazakhstani Tenge)

Balances on contracts with customers	**June 30, 2025**	**December 31, 2024**
Trade receivables	159 772	-
Advances received	350 279	465 101

13. COST OF SALES

	2025	**2024**
Cost of wheat sold	-	31 071
Cost of rye sold	-	72 250
Cost of spring barley sold	169 643	248 525
Cost of rapeseed sold	-	40 179
Cost of potatoes sold	166 741	-
Cost of realized other inventories	17 857	27 871
	354 241	**419 896**

14. ADMINISTRATIVE COSTS

	2025	**2024**
Wages and related taxes	9 270	7 670
Renting a room	1 016	4031
Bank services	1 797	244
Introductory listing fees	14 112	-
Auditing (consulting) services	7909	-
Others	11 491	316
	45 595	**12 261**

15. OTHER INCOME/(EXPENSES), NET

	2025	**2024**
Foreign exchange gains	-	-
Revenue from fines and penalties	-	-
Income from currency exchange	-	-
Income from reversal of provision for impairment of receivables	-	-
Other income	-	185 153
Total other operating income	-	**185 153**
Foreign exchange loss	-	-
Currency exchange losses	-	-
Impairment charge on receivables	-	-
Other	-	-
Total other operating expenses	**-**	**-**
	-	**-**

16. FINANCIAL INCOME

	2025	**2024**
Interest income on deposits	-	-

17. FINANCIAL COSTS

	2025	**2024**
Interest on bank loans, loan attraction and securities issue commissions	53760	672

(in thousands of Kazakhstani Tenge)

18. CORPORATE INCOME TAX EXPENSE

The Company provides for corporate income taxes based on the tax accounts maintained and prepared in accordance with the tax regulations of the Republic of Kazakhstan, which may differ from IFRS. The corporate income tax rate for legal entities in the Republic of Kazakhstan for 2024 and 2023 is set at 20%.

The Company is subject to certain tax differences due to the non-tax deductibility of certain expenses and non-taxable income.

	2025	**2024**
Current income tax expense for the reporting period	-	712
Deferred income tax	-	(268)
Income tax expense	**-**	**444**

Reconciliation of the current tax rate

The amount of corporate income tax differs from its theoretical amount, calculated by multiplying profit before tax by the corporate income tax rate, as follows:

	2025	**2024**
(Loss)/profit before taxation	92 940	3 558
Statutory income tax rate	20%	20%
Estimated amount of tax at the statutory rate	**18 588**	**712**
Tax effect of non-deductible expenses and non-taxable income	-	(268)
Income tax expense	**-**	**444**

Deferred tax assets relate to the following items

2025	**Balance as at June 30, 2025**	**Recognised in profit or loss**	**Balance as at at January 01, 2024**
Property, plant and equipment and intangible assets	-	-	-
Provision for unused leave	-	-	-
Taxes	71 550	-	268
Accounts receivable	159 772	-	-
Total deferred corporate income tax assets	**18 588**	**-**	**268**

A deferred tax asset is recognised only to the extent that it is probable that future taxable income will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised. It is not probable that sufficient future taxable income will be available against which all or part of the asset can be utilised.

19. CONTRACTUAL AND CONTINGENCIES

Political and economic conditions in the Republic of Kazakhstan

Emerging markets such as the Republic of Kazakhstan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in the Republic of Kazakhstan continue to change rapidly and are subject to varying interpretations. The future economic direction of the Republic of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

The Company's financial condition and future operations may deteriorate as a result of continued economic problems inherent in a developing country and the pace of credit to the economy and the public. The Company's management cannot anticipate the extent or duration of economic difficulties or estimate the impact, if any, on the Company's financial results.

Legal

As at the date of authorisation of the financial statements, the Company has no current legal proceedings or unresolved claims that could have a material effect on the Company's results of operations or financial position for which liabilities have not been accrued or disclosed in these financial statements.

Insurance policies

The Company insures its risks in the following areas:

- insurance of employees against accidents;
- property insurance;
- compulsory civil liability insurance of owners of motor vehicles;
- environmental insurance.

A country's tax legislation may have more than one interpretation. There is also a risk of tax authorities making arbitrary judgements of business activities. Additional taxes, penalties and interest may be assessed, if a particular treatment by the tax authorities is challenged by the tax authorities in respect of the Company's business activities.

Fiscal periods remain open to review by the tax authorities for five years. However, it does not mean that a higher tax authority cannot conduct a second tax audit. Also, according to the clarification of the Russian Federation Constitutional Court the statute of limitation for tax liabilities may be extended, if a court determines that the taxpayer has obstructed or hindered a tax inspection.

The Company's management believes that all necessary tax accruals have been made and, accordingly, no corresponding provision is required in the financial information.

20. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's management and authorised for issue on 30 June 2025.