

**JSC “Aviation Administration of Kazakhstan”**  
Financial Statements  
for the year ended December 31, 2024  
with the Independent Auditor’s Report

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## Audit Business Group LLP

Audit Business Group LLP  
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Astana, 010000  
Republic of Kazakhstan

State license for auditing activities in the territory of the Republic of Kazakhstan No. 19023950, issued by the Ministry of Finance of the Republic of Kazakhstan on 12.12.2019 (date of initial issue from 07.04.2017)

  
"I approve"  
Director of TOO "Audit Business Group"  
B. Dossymov

To the founders and management  
of the Joint Stock Company  
"Aviation Administration of Kazakhstan"

### AUDIT REPORT OF INDEPENDENT AUDITOR No. 75

#### *Opinion*

We have audited the accompanying financial statements of Joint Stock Company Aviation Administration of Kazakhstan, which comprise the balance sheet as of December 31, 2024, the income statement, the statement of cash flows (direct method), the statement of changes in equity for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements have been prepared in accordance with the requirements of the applicable financial reporting framework and present fairly, in all material respects, the financial position of Joint Stock Company "Aviation Administration of Kazakhstan" (hereinafter referred to as the Company) as at December 31, 2024, and the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### *Basis for expressing opinion*

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

#### *Responsibilities of management and those charged with governance for the preparation of the financial statements*

The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal



control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the preparation of the Company's financial statements.

*The auditor's responsibilities for the audit of financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements 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 International Standards on Auditing 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 the financial statements.

As part of an audit conducted in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition, we do the following:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error because fraud can include collusion, forgery, intentional omission, misrepresentation, or override of internal control;
- obtain an understanding of the internal control system that is relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements present the underlying transactions and events in a manner that ensures their fair presentation.

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

**Auditor**

**Audit Business Group LLP**

*Auditor's qualification certificate No. 0000255*

*Issued by the Qualification Commission*

*for certification of auditors of the Republic of Kazakhstan on July 1, 2015.*



**L.S. Dyussenova**

*Audit report date: June 24, 2025.*

*Address: 010000, Astana, Bauyrzhan Momyshuly Ave. 2/10, 17*

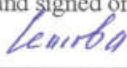
# JSC "Aviation Administration of Kazakhstan"

## The statement of financial position for the year ended December 31, 2024


*all amounts are presented in thousands of Kazakhstani tenge*

thousand tenge	Note	December 31 2024	December 31 2023
<b>Assets</b>			
<b>Long-term assets</b>			
Assets	6	148 759	143 731
Intangible assets	7	31 626	45 674
Assets in the form of rights of use	8	228 833	457 663
Deferred tax assets	9	4 411	
<b>Total long-term assets</b>		<b>413 629</b>	<b>647 068</b>
<b>Current assets</b>			
Trade and other receivables	10	14 998	28 039
Pre-payment of corporate income tax	11	167 386	—
Other current assets	12	208 328	74 838
Cash and cash equivalents	13	5 155 196	1 935 554
<b>Total current assets</b>		<b>5 545 908</b>	<b>2 038 431</b>
<b>Total assets</b>		<b>5 959 537</b>	<b>2 685 499</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	14	1 877 337	1 877 337
Accumulated loss	15	(1 794 018)	(1 229 978)
<b>Total equity</b>		<b>83 319</b>	<b>647 359</b>
<b>Long-term commitment</b>			
Lease obligations	8		248 638
Loans received	21		781 053
Deferred tax liability	9		28 629
<b>Total long-term commitment</b>			<b>1 058 320</b>
<b>Current liabilities</b>			
Treaty obligations	16	4 858 480	57 344
Trade and other accounts payable	17	13 121	54 255
Rental liability, current portion	8	248 638	209 025
Income tax liability		—	67 689
Other tax and payment arrears	18	573 487	479 321
Employee remuneration obligations	19	178 392	106 544
Other current liabilities	20	4 100	5 642
<b>Total current liabilities</b>		<b>5 876 218</b>	<b>979 820</b>
<b>Total liability</b>		<b>5 876 218</b>	<b>2 038 140</b>
<b>Total capital and liabilities</b>		<b>5 959 537</b>	<b>2 685 499</b>

The financial statements for the year ended 31 December 2024 were approved by the management of the Company on 24 June 2025 and signed on its behalf:

  
Acting General Director  
Seitova A.A.



  
Chief Accountant  
Zhumina R.K.

The statement of financial position should be considered together with the notes to this financial statement, which are an integral part thereof.

# JSC Aviation Administration of Kazakhstan

## Statement of Profit or Loss and Other Comprehensive Income for the year ended December 31, 2024

*all amounts are presented in thousands of Kazakhstani tenge*

thousand tenge	Note	2024	2023
Income from government contributions	24	-	4 488 693
Service revenue	22	7 701 031	3 491 839
Operating expenses	23	(7 382 742)	(6 719 402)
Other operating income	24	1 849	232 096
Net loss on foreign exchange transactions	25	(525)	(7 570)
Expense from impairment of financial instruments	26	(2 900)	
Financial income	27	155 220	
Financial expenses	28	(181 863)	(257 024)
<b>Profit/(loss) before tax</b>		<b>290 070</b>	<b>1 228 632</b>
(Expenses) / income tax savings	29	(60 828)	(239 027)
<b>Net profit/(loss) per year</b>		<b>229 242</b>	<b>989 605</b>
Other annual total income		-	-
<b>Total annual income/(loss)</b>		<b>229 242</b>	<b>989 605</b>

The financial statements for the year ended 31 December 2024 were approved by the management of the Company on 24 June 2025 and signed on its behalf:

*Scitova A.A.*  
Acting General Director  
Scitova A.A.



*Zhumina R.K.*  
Chief Accountant  
Zhumina R.K.

The profit or loss and other aggregate income statement should be considered together with the notes to this financial statement, which are an integral part of it.



# JSC "Aviation Administration of Kazakhstan"

## Statement of Cash Flows for the year ended December 31, 2024

*all amounts are presented in thousands of Kazakhstani tenge*

thousand tenge	2024	2023
<b>Cash flow from operating activities</b>		
Receipts from contributions from the state organization	-	3 847 503
Revenue from mandatory fees for aviation safety and security oversight and other services	13 445 120	3 934 910
Cash payments to suppliers	(1 155 702)	(1 170 776)
Payments for wages	(4 113 259)	(3 977 691)
Payments of other payments to the budget	(2 014 939)	(416 127)
Interest paid	(64 340)	(12 352)
Other receipts	928	-
Other payments	(1 264 975)	(683 216)
<b>Cash generated from operating activities before income taxes</b>	<b>4 832 833</b>	<b>1 522 251</b>
Corporate income taxes paid	-	-
<b>Net cash flows generated from operating activities</b>	<b>4 832 833</b>	<b>1 522 251</b>
<b>Cash flows from investing activities</b>		
Acquisition of fixed assets	(49 297)	(85 732)
Acquisition of intangible assets	-	(12 898)
<b>Net cash flows used in investing activities</b>	<b>(49 297)</b>	<b>(98 630)</b>
<b>Cash flows from financing activities</b>		
Considerations received	131 937	-
Repayment of loans received	(1 044 500)	(1 181 500)
Payment of dividends	(647 359)	-
Payment of principal amount of lease liabilities	-	(192 151)
<b>Net cash flows used in financing activities</b>	<b>(1 559 922)</b>	<b>(1 373 651)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3 223 614</b>	<b>49 970</b>
Effect of changes in exchange rates	(1 072)	-
Provision for impairment of cash	(2 900)	2 552
Cash and cash equivalents at the beginning of the year	1 935 554	1 883 032
<b>Cash and cash equivalents at the end of the period</b>	<b>5 155 196</b>	<b>1 935 554</b>

The financial statements for the year ended 31 December 2024 were approved by the management of the Company on 24 June 2025 and signed on its behalf:

*Seitova*  
Acting General Director  
Seitova A.A.



*Zhumina*  
Chief Accountant  
Zhumina R.K.

The cash flow statement should be considered together with the notes to this financial statement, which are an integral part of it.




# JSC "Aviation Administration of Kazakhstan"

## Statement of Changes in Equity for the year ended December 31, 2024


*all amounts are presented in thousands of Kazakhstani tenge*

thousand tenge	Share capital	Loan revaluation reserve (recalculated)	Accumulated loss (recalculated)	Total equity
Previously presented as of December 31, 2022	1 877 337	—	(2 341 473)	(466 136)
Adjustment				
Recalculated as of January 1, 2023	1 877 337	—	(2 341 473)	(466 136)
Income from modification of loans received, at fair value, net of taxes	—	—	184 980	184 980
Amortization of discount from early partial repayment of loans received	—	—	(63 090)	(63 090)
Total comprehensive income for the year	—	—	989 605	989 605
As of December 31, 2023	1 877 337	—	(1 229 978)	647 359
Dividend payment	—	—	(647 359)	(647 359)
Amortization of discount from early partial repayment of loans received	—	—	(145 923)	(145 923)
Total comprehensive income for the year	—	—	229 242	229 242
As of December 31, 2024	1 877 337	—	(1 764 018)	83 319

The financial statements for the year ended 31 December 2024 were approved by the management of the Company on 24 June 2025 and signed on its behalf:

  
Acting General Director  
Seitova A.A.



  
Chief Accountant  
Zhumina R.K.

The statement of changes in capital should be considered together with the notes to this financial statement, which are an integral part thereof.

**1. General terms****a) Organizational Structure and Activities**

The Joint Stock Company "Aviation Administration of Kazakhstan" (formerly JSC "Kazakhstan Transport Leasing Company") (hereinafter referred to as the "Company") was established in 2002 in accordance with the legislation of the Republic of Kazakhstan. The Company was re-registered on June 12, 2019.

In accordance with the Law of the Republic of Kazakhstan "On the Use of the Airspace of the Republic of Kazakhstan and Aviation Activities" and the Resolution of the Government of the Republic of Kazakhstan No. 530 dated July 25, 2019, the Company was designated as the authorized organization in the field of civil aviation starting from August 1, 2019.

The legal address of the Company is: Republic of Kazakhstan, Astana city, Yesil district, Mangilik El street, building 55/15, Z0ST3C9.

The sole shareholder of the Company is the Government of the Republic of Kazakhstan, represented by the State Institution "Committee of State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan."

The rights to own and use the state block of shares of the Company have been transferred to the Civil Aviation Committee of the Ministry of Transport of the Republic of Kazakhstan.

The main objective of the Company's activities is to carry out operations aimed at ensuring the sustainable development of the civil aviation industry in the Republic of Kazakhstan, flight safety, aviation security, and the management of foreign technical assistance for the development of the civil aviation sector.

Previously, the Company's activities were financed by the RSE "Kazaeronavigation" through allocations for ensuring flight safety in civil aviation. From the second half of 2023, the Company's activities are financed through the provision of paid services and mandatory contributions for continuous oversight of flight safety and aviation security, in accordance with the Rules for Charging Fees in the Field of Civil Aviation of the Republic of Kazakhstan, approved by Order No. 177 of the Acting Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated March 24, 2023, and the List of Paid Services of the Authorized Organization in the Field of Civil Aviation and the Rates of Fees in the Field of Civil Aviation, approved by Order No. 167 of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated March 17, 2023.

Amendments have been made to the Law of the Republic of Kazakhstan "On the Use of the Airspace of the Republic of Kazakhstan and Aviation Activities" and the Tax Code concerning the regulation of the Company's funding. The funding of the Company's activities is carried out through payments received in the field of civil aviation, which must be sufficient to cover the cost of services, ensure the financial sustainability of its operations, and fund its activities through its own income.

The main types of activities of the Company are:

- assistance to the authorized body in the field of civil aviation in the implementation of the main directions of state policy in the field of the use of airspace and the activities of civil and experimental aviation;
- development of instructional materials, as well as airworthiness directives in accordance with the standards and recommended practices of the International Civil Aviation Organization;
- maintenance of the State Register of Civil Aircraft of the Republic of Kazakhstan;
- approval of professional training programs for aviation personnel developed by aviation training centers and civil aviation organizations;
- certification and issuance of a civil aircraft operator certificate, a certificate for the right to perform aviation work, a certificate of an aviation training center, a certificate of an organization for the maintenance and repair of civil aviation equipment, a type certificate for a civil aircraft, a certificate of aerodrome (heliport) compliance, a certificate of airworthiness of a civil aircraft, a certificate for the organization of screening by the airport aviation security service, an export certificate of airworthiness of an aircraft, a certificate of an air navigation service provider, a certificate of an aviation medical center;
- issuance of a certificate for the right to perform flights to a general aviation operator, as well as recognition, modification, restriction, suspension, or revocation of the certificate for the right to perform flights of a general aviation operator;



- other types of activities provided for by the Law.

The average headcount of the Company as of December 31, 2024, was 212 persons, and as of December 31, 2023, was 198 persons.

These financial reporting forms were approved for release by the Acting General Director and the Chief Accountant of the Company on June 24, 2025.

#### **b) Conditions for Conducting Business Activities in the Republic of Kazakhstan**

The Company conducts its activities in the territory of the Republic of Kazakhstan. The assets and liabilities of the Company are located in the territory of the Republic of Kazakhstan. As a result, the Company is exposed to economic and financial risks in the markets of the Republic of Kazakhstan. The regulatory legal framework and tax legislation continue to evolve but allow for different interpretations and are subject to frequent changes, which, combined with other shortcomings of the legal and fiscal systems, create additional difficulties for enterprises operating in the Republic of Kazakhstan.

The accompanying financial statements reflect the Company management's assessment of the possible impact of existing business conditions on the Company's operating results and financial position. The actual impact of future business conditions may differ from the current assessments made by the Company's management.

### **2. Basis of Preparation of Financial Statements**

#### **a) Statement of Compliance**

The forms of the annual financial statements have been prepared in accordance with the format of annual financial statement forms for publication by public interest organizations, approved by Order No. 404 of the Minister of Finance of the Republic of Kazakhstan dated June 28, 2017, as amended by Order No. 241 of the Minister of Finance of the Republic of Kazakhstan dated March 2, 2022.

These forms of the annual separate financial statements of the Company are prepared in accordance with International Financial Reporting Standards (hereinafter – "IFRS").

All numerical indicators presented in tenge are rounded to the nearest thousand, unless otherwise stated.

#### **b) Functional Currency and Presentation Currency**

The functional currency of the Company is the Kazakhstani tenge (hereinafter – "tenge"), which, being the national currency of the Republic of Kazakhstan, best reflects the economic substance of the majority of the Company's operations and the circumstances affecting them. The Kazakhstani tenge is also the presentation currency of these financial statements.

#### **c) Going Concern**

When preparing the financial statements in accordance with IFRS, management assesses the Company's ability to continue as a going concern in the foreseeable future. The financial statements are prepared on a going concern basis unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The financial statements of the Company have been prepared on a going concern basis, which assumes the realization of assets and settlement of liabilities and contractual obligations in the normal course of business. The Company's ability to realize its assets and operate in the future may be significantly influenced by current and future economic conditions in Kazakhstan.

As of the date of approval of the financial statements, the Company's management has reasonable grounds to believe that the Company has sufficient resources to continue its operations as a going concern in the foreseeable future. These financial statements do not include any adjustments that would be required if the Company were unable to continue operating on a going concern basis.

### **3. Key Provisions of Accounting Policy**

#### **a) Classification of Assets and Liabilities as Non-Current and Current**

In the statement of financial position, the Company presents assets and liabilities based on their classification as current and non-current. An asset is classified as current if:

- it is expected to be realized or intended for sale or consumption in the normal operating cycle;
- it is held primarily for trading purposes;
- it is expected to be realized within 12 (twelve) months after the end of the reporting period; or
- it is cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least 12 (twelve) months after the end of the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for trading purposes;
- it is due to be settled within 12 months after the end of the reporting period; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### **b) Fair Value Measurement**

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

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

The Company must have access to the principal or most advantageous market.

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

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

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

All assets and liabilities measured at fair value in the financial statements, or for which fair value is disclosed in the financial statements, are classified 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 (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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



The Company's management defines policies and procedures for both recurring and non-recurring fair value measurements of assets.

At each reporting date, the Company's management analyzes changes in the values of assets and liabilities that need to be reanalyzed or remeasured in accordance with the Company's accounting policy. As part of this analysis, the Company's management reviews the key inputs applied in the last valuation by comparing the information used in the valuation to contracts and other relevant documents. The Company's management also compares changes in the fair value of each asset and liability with corresponding external sources to assess the reasonableness of the change.

For fair value disclosure purposes, the Company has classified assets and liabilities based on their nature, characteristics, and risks, as well as the applicable level in the fair value hierarchy, as described above.

#### **c. Income from Allocations from a State Organization**

Until July 1, 2023, the activities of the Company were fully financed by the state through the Republican State Enterprise "Kazaeronavigation" ("Kazaeronavigation"). Kazaeronavigation allocated no less than ten percent of its net profit available for distribution, but not more than the amount provided for in the Development Plan approved by the Board of Directors.

The Company applied IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" to recognize income from allocations from the state organization, as the Government of the Republic of Kazakhstan provided the contribution as government assistance in the form of transferring resources to the Company in exchange for compliance with certain conditions in the past or future related to the Company's operational activities in the field of civil aviation safety and regulation.

The Company recognizes allocations from the state organization in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs intended to be compensated. Allocations from the state organization are accounted for using the following approaches defined in IAS 20:

- operating income and expenses of the reporting period are recognized based on the income approach, under which allocation funds are recognized in profit or loss over one or several reporting periods. Such income for the reporting period is recognized in the amount of expenses incurred for the corresponding period. The unused allocation balance at the end of the reporting period is accounted for as a current liability under "Deferred income," which will be recognized as income in profit or loss in the period in which the funds are used;
- amounts of allocations related to depreciable assets are recognized in the statement of financial position as non-current liabilities under "Deferred income." Deferred income is recognized in profit or loss on a systematic basis over the useful life of the asset.

#### **d. Revenue Recognition**

##### **Revenue from sale of goods, works, and services**

The Company's activities are aimed at ensuring the sustainable development of the civil aviation sector of the Republic of Kazakhstan, flight safety and aviation security, and continuous oversight of flight safety and aviation security.

By Orders No. 177 of the Acting Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated March 24, 2023, and No. 167 of the Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated March 17, 2023, the Rules for Charging Fees in the Field of Civil Aviation of the Republic of Kazakhstan and the List of Paid Services of the Authorized Organization in the Field of Civil Aviation and the Rates of Fees in the Field of Civil Aviation were approved.

In accordance with the specified Rules and List, the Company began charging mandatory allocations from air navigation service providers for the oversight of flight safety and aviation security, mandatory allocations from aerodrome (heliport) operators, mandatory allocations from certified operators of civil aircraft, and paid services.

##### **Revenue Recognition, continued**

The Company recognizes revenue from mandatory allocations from air navigation service providers for the oversight of flight safety and aviation security, revenue from mandatory allocations from aerodrome (heliport) operators, revenue from mandatory allocations from certified operators of civil aircraft, and revenue from other paid services. Revenue from the provision of these types of services is recognized over the period in which the service is rendered.

Revenue is recognized when it is probable that the Company will receive economic benefits and when the amount of revenue can be reliably measured.

### **Significant Financing Component**

As a result of applying the practical expedient provided by IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if, at contract inception, it expects that the period between the transfer of the promised goods or services to the customer and the customer's payment for those goods or services will be one year or less.

### **Trade Receivables**

Trade receivables represent the Company's right to consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). The accounting policy for financial assets is presented in the section "Financial Instruments – Initial Recognition and Subsequent Measurement."

### **Contract Liabilities**

A contract liability is recognized if a payment is received from a customer or becomes due (whichever is earlier) before the Company transfers the related goods or services. Contract liabilities are recognized as revenue when the Company satisfies its performance obligations under the contract (i.e., transfers control of the related goods or services to the customer).

### **e. Taxes**

#### **Current Income Tax**

In these financial statements, income tax is recognized in accordance with the legislation of the Republic of Kazakhstan that is effective or substantively enacted at the reporting date. Income tax expenses include current and deferred taxes and are recognized in profit or loss for the year, unless they are related to items that are recognized in other comprehensive income or equity in the same or another reporting period.

Current tax represents the amount expected to be paid to or recovered from the state budget in respect of taxable profit or loss for the current and prior periods. Other taxes, excluding income tax, are recognized in other operating expenses.

#### **Deferred Tax**

Deferred tax is calculated using the liability method by determining temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes as of the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when:

- the deferred tax liability arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, unused tax credits, and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits, and unused tax losses can be utilized, except when:

- the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences related to investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.



Deferred tax related to items recognized outside profit or loss is also not recognized in profit or loss. Deferred tax items are recognized in correlation with the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **f. Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Amounts recognized as provisions represent the Company's best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties related to the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount represents the present value of those cash flows (when the effect of the time value of money is material).

#### **g. Property, Plant and Equipment**

Property, plant and equipment are recognized at initial cost, which includes all actual expenditures incurred for the acquisition of property, plant and equipment.

After initial recognition as an asset, items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the assets:

<b>Category of fixed assets</b>	<b>Useful life</b>
Компьютеры	1-5 years
Machinery and equipment	3-10 years
Transport vehicles	7-15 years
Others	5-10 years

The recognition of an item of property, plant and equipment and any initially recognized significant part of an item of property, plant and equipment ceases upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) are included in the statement of profit or loss upon derecognition of the asset.

The residual value, useful lives, and depreciation methods of property, plant and equipment are reviewed at the end of each financial year and, if necessary, adjusted on a prospective basis.

#### **h. Intangible Assets**

Intangible assets consist of software and licenses. Intangible assets acquired separately are initially measured at cost. After initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets are amortized over a useful life of 5 years and are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

#### **i. Inventories**

Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The actual cost of inventories represents purchase costs, which include the purchase price, import duties and other taxes (excluding VAT), processing costs, and transportation and other costs directly attributable to the acquisition, delivery, and bringing the inventories to their current condition, less trade discounts and rebates.

#### **j. Capital**

##### *Share Capital*

Ordinary shares are classified as equity. External costs directly attributable to the issuance of new shares, other than in a business combination, are shown as a deduction from equity proceeds. Any excess of the fair value of the consideration received over the nominal value of the shares issued is recognized as additional paid-in capital.

**k. Leases***The Company as a lessee*

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

*Right-of-use assets*

The Company recognizes right-of-use assets at the lease commencement date (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of recognized lease liabilities, any initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

If the Company does not have reasonable certainty that it will obtain ownership of the leased asset by the end of the lease term, the recognized right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are subject to impairment assessment.

*Lease liabilities*

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and penalties for terminating a lease if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggers those payments occurs.

To calculate the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the lease liability is remeasured if there is a modification, a change in the lease term, a change in in-substance fixed lease payments, or a change in the assessment of an option to purchase the underlying asset.

*Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to short-term leases (i.e., leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company also applies the lease of low-value assets recognition exemption to leases of office equipment considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as lease expense on a straight-line basis over the lease term.

*Significant judgments in determining lease term for contracts with extension options*

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

**l. Recognition and measurement of financial instruments**

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company accounts for regular-way purchases and sales of financial assets and liabilities using settlement date accounting. Financial instruments acquired in this way that will subsequently be measured at fair value are accounted for as if acquired at trade date until the settlement date.

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 liabilities, as appropriate, at initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.



The accounting policies for subsequent measurement of financial assets and financial liabilities are disclosed in the relevant sections of the accounting policy as described below.

**Financial assets**

All financial assets are recognized and derecognized on a trade date basis when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the relevant market, and are initially measured at fair value plus transaction costs, except for those financial assets classified as fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as fair value through profit or loss are recognized immediately in profit or loss.

All recognized financial assets that fall within the scope of IFRS 9 "Financial Instruments" must subsequently be measured at either amortized cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

***Reclassification of financial assets***

If the business model under which the Company holds financial assets changes, those assets are reclassified. The classification and measurement requirements related to the new category are applied prospectively from the first day of the first reporting period following the change in business model that results in the reclassification of the Company's financial assets. Changes in the contractual cash flows are analyzed under the accounting policy outlined below in "Modification and derecognition of financial assets."

Modification of a financial asset occurs if between the initial recognition date and the maturity date of a financial asset, there is a revision or other modification of the contractual terms governing the cash flows of the asset. The modification affects the amount and/or timing of the contractual cash flows either at the same point in time or at a future point in time.

When a financial asset is modified, the Company assesses whether this modification results in derecognition of the asset. In accordance with the Company's policy, a modification leads to derecognition if it results in substantially different contractual terms.

To determine whether the modified terms differ significantly from the original contractual terms, the Company analyzes qualitative factors. For example, after the modification, the contractual cash flows may include payments of principal and interest.

If a financial asset is derecognized, the expected credit loss (ECL) allowance is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date.

The difference between the revised carrying amount and the fair value of the new financial asset under the new terms results in a gain or loss on derecognition.

The ECL allowance for the new financial asset is calculated based on 12-month ECL, except in rare cases where the new financial asset is considered credit-impaired at initial recognition.

**Impairment of financial assets**

The Company always recognizes expected credit losses (ECL) over the entire lifetime for trade and other receivables.

Expected credit losses for such financial instruments are assessed using professional judgment based on statistics from rating agencies and other analytical publications.

For financial instruments, the Company recognizes lifetime expected credit losses if there is a significant increase in credit risk since initial recognition.

However, if as of the reporting date there is no significant increase in credit risk for a financial instrument since its initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Lifetime expected credit losses are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

In contrast, 12-month expected credit losses are a portion of the lifetime expected credit losses, representing expected losses from default events that are possible within 12 months after the reporting date.

**Write-off**

Financial assets are written off when the Company has no reasonable expectations of recovering the financial asset (in full or in part).

This occurs when the Company determines that the borrower has no assets or sources of income that could generate sufficient cash flows to repay the amounts being written off.

A write-off constitutes a derecognition. Any recovery is recognized as an impairment gain.

Financial assets that are collateralized are written off after receiving any proceeds from the sale or enforcement of the collateral.

#### **Financial liabilities**

Financial liabilities are classified as measured at fair value through profit or loss (FVTPL) if the liability is either held for trading or designated as measured at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it is incurred principally for the purpose of repurchasing it in the near term; or
- at initial recognition, it is part of a portfolio of identified financial instruments that are managed together by the Company and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability that is not a held-for-trading liability may be designated as an FVTPL liability upon initial recognition if:

- such classification eliminates or significantly reduces a measurement or recognition inconsistency (i.e., an accounting mismatch) that would otherwise arise; or
- the financial liability is part of a financial instrument that contains one or more embedded derivatives, and IFRS 9 permits the entire instrument (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities measured at fair value through profit or loss are carried in the statement of financial position at fair value. Changes in fair value are recognized in the net (loss)/gain on financial liabilities measured at fair value through profit or loss.

#### **m. Offsetting financial instruments**

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

#### **n. Cash and cash equivalents**

Cash and cash equivalents are items that are readily convertible into a known amount of cash and are subject to insignificant risk of changes in value.

Cash and cash equivalents include cash on hand and funds in settlement accounts with credit institutions.

Funds that are restricted for use for a period of more than three months at the time of reporting are excluded from cash and cash equivalents.

Cash and cash equivalents are carried at amortized cost.

#### **o. Accounts payable and borrowings received**

Accounts payable and borrowings received are initially measured at fair value, and subsequently measured at amortized cost using the effective interest rate method.

#### **p. Expenses**

Expenses are recognized at the time the related goods or services are actually received, regardless of when the cash or cash equivalents are paid, and are recorded in the financial statements in the period to which they relate.

#### **q. Employee benefits**

Liabilities for short-term employee benefits are recognized as an expense in profit or loss in the period in which the related service is rendered.



A provision is made for the amount of the expected short-term bonus payments if the Company has a present legal obligation to make such payments as a result of services provided by the employee and the amount can be estimated reliably.

**r. Offsetting financial instruments**

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

**s. Contingent assets and liabilities**

Contingent liabilities are not recognized in the statement of financial position; however, information about them is disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the statement of financial position; however, information about them is disclosed in the financial statements when the inflow of economic benefits associated with them is probable.

**t. Related party transactions**

The Company discloses the nature of related party relationships as well as information about these transactions and outstanding balances necessary for understanding the potential impact of these relationships on the financial statements.

In these financial statements, related parties are those that have the ability to control or significantly influence the operational and financial decisions of the other party.

In determining whether parties are related, the substance of the relationship is considered, not merely the legal form.

**u. Events after the reporting period**

The carrying amount of assets and liabilities as at the reporting date is adjusted when post-reporting-date events provide evidence of conditions that existed at the reporting date.

Such adjustments are made up to the date of approval of the financial statements by the Company's management.

Other non-adjusting events are disclosed in the notes to the financial statements.

**4. New standards, interpretations, and amendments to existing standards and interpretations**

A number of new standards and interpretations have been issued that are mandatory for annual periods beginning on or after January 1, 2024, and which the Company has not early adopted.

- Amendments to IFRS 16 “Leases: Lease liability in a sale and leaseback” (issued on September 22, 2022, effective for annual periods beginning on or after January 1, 2024).
- Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on January 23, 2020, subsequently amended on July 15, 2020, and October 31, 2022, ultimately effective for annual periods beginning on or after January 1, 2024).
- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures – Supplier Finance Arrangements” (issued on May 25, 2023).
- Amendments to IAS 21 “Lack of exchangeability” (issued on August 15, 2023).
- Amendments issued but deferred and not early adopted by the Company:
- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28 (issued on September 11, 2014, effective for annual periods beginning on the date to be determined by the IASB).

Unless otherwise stated above, these new standards and interpretations are not expected to have a significant impact on the Company's financial statements.

**5. Use of accounting estimates and professional judgments**

The preparation of the Company's financial statements requires management to make estimates and judgments that affect the amounts of assets and liabilities reported in the financial statements as of the reporting date, and the reported amounts of expenses during the reporting period. Actual results may differ from those estimates and judgments under

different assumptions or conditions. The following estimates and assumptions are considered significant in reflecting the financial position of the Company:

#### *Useful lives of property, plant, and equipment*

The Company reviews the useful lives of property, plant, and equipment and intangible assets at the end of each annual reporting period. The estimation of an asset's useful life depends on such factors as: economic use, maintenance and repair programs, technological improvements, and other business conditions. Management's assessment of the useful lives of property, plant, and equipment reflects the relevant information available at the reporting date of these financial statements.

#### *Deferred tax assets*

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the assets can be utilized. In determining the amount of deferred tax assets to be recognized in the financial statements, the Company applies significant judgment in assessing the probable timing and amounts of future taxable profits as well as tax planning strategies.

#### *Lease under IFRS 16*

The Company has determined the lease term as the non-cancellable period of the lease, together with periods covered by an option to extend the lease if there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

The Company has a lease agreement for office premises with the state represented by JSC "NC 'QazExpoCongress'". When determining the fair value of lease liabilities, the Company applied the market rate. As of December 31, 2024, the lease term is 24 months. The Company applied a market interest rate of 18.96% per annum at the lease commencement date.

#### *Impairment of assets*

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset, which requires an assessment of the asset's value in use. When evaluating value in use, the Company estimates future cash flows expected to be derived from the use of the asset.

#### *Provisions*

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events that is expected to require an outflow of resources to settle the obligation, and a reliable estimate of the amount can be made.

#### *Taxation*

When assessing tax risks, management considers as a potential area of non-compliance with tax legislation those matters which the Company cannot dispute or does not believe it would successfully appeal if additional taxes were imposed by the tax authorities. In assessing tax risks, such a determination requires significant judgment and may change as a result of amendments in tax legislation and regulatory acts.

### **6. Fixed assets**

For the years ended 31 December 2024 and 2023, the movement of fixed assets is as follows:

thousand tenge	Computer s	Machinery and equipment	Vehicles	Other	In total
<i>Initial cost</i>					
As of January 31, 2022	94 666	37 583	15 620	10 197	158 066
Revenue	55 584	6 581	21 983	1 584	85 732
As of December 31, 2023	150 250	44 164	37 603	11 781	243 798
Revenue	7 815	6 273	26 490	11 104	51 682
Disposals	2 385				2 385
As of December 31, 2024	155 680	50 437	64 093	22 885	293 095



# JSC "Aviation Administration of Kazakhstan"

## Notes to the financial statements for the year ended December 31, 2024

all amounts are presented in thousands of Kazakhstani tenge

### Accumulated depreciation

As of January 31, 2022	(44 722)	(14 502)	(3 905)	(4 105)	(67 234)
Depreciation for the year	(21 399)	(7 692)	(1 745)	(1 997)	(32 833)
As of December 31, 2023	(66 121)	(22 194)	(5 650)	(6 102)	(100 067)
Depreciation for the year	(28 927)	(8 720)	(3 981)	(2 760)	(44 388)
Depreciation written off on disposed fixed assets	119				119
As of December 31, 2024	(94 929)	(30 914)	(9 631)	(8 862)	(144 336)

### Carrying amount

As of December 31, 2022	49 944	23 081	11 715	6 092	90 832
As of December 31, 2023	84 129	21 970	31 953	5 679	143 731
As of December 31, 2024	60 751	19 523	54 462	14 023	148 759

As of December 31, 2024 and 2023, the Company's fixed assets have not been pledged as collateral for its obligations. Fully depreciated property, plant and equipment was not available as at 31 December 2024 and 2023.

### 7. Intangible assets

For the years ended 31 December 2024 and 2023, the movement of intangible assets is presented as follows:

thousand tenge	License	Software	In total
<i>Initial Cost</i>			
As of January 31, 2022	24 302	24 452	48 754
Revenue		12 898	12 898
As of December 31, 2023	24 302	37 350	61 652
Revenue			
As of December 31, 2023	24 302	37 350	61 652
<i>Accumulated Depreciation</i>			
As of January 31, 2022	(4 861)	(1 369)	(6 230)
Depreciation for the Year	(4 860)	(4 888)	(9 748)
As of December 31, 2023	(9 721)	(6 257)	(15 978)
Depreciation for the Year	(4 860)	(9 188)	(14 048)
As of December 31, 2024	(14 581)	(15 445)	(30 026)
<i>Carrying Value</i>			
As of December 31, 2022	19 441	23 083	42 524
As of December 31, 2023	14 581	31 093	45 674
As of December 31, 2024	9 721	21 905	31 626

### 8. Assets in the form of rights of use

For the years ended 31 December 2024 and 2023, assets in the form of a right of use are presented as follows:

thousand tenge	31 December 2024	31 December 2023
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# JSC "Aviation Administration of Kazakhstan"

## Notes to the financial statements for the year ended December 31, 2024

*all amounts are presented in thousands of Kazakhstani tenge*

	Right-of-use assets - Office	Right-of-use assets - Office
<b>As of January 1</b>	<b>457 663</b>	<b>155 605</b>
Revenue	9 902	485 775
Depreciation for the Year	(238 732)	(183 717)
<b>As of December 31</b>	<b>228 833</b>	<b>457 663</b>

In 2024, the Company concluded a new lease of office space with JSC «QazExpoCongress», and reflected the receipt of assets in the form of the right of use. The Society has prepared a calculation for the estimated lease term of two years.

thousand tenge	31 December 2024	31 December 2023
Within one year	248 638	272 707
2 to 3 years inclusive		272 707
Financial payments		(87 751)
<b>As at 31 December</b>	<b>248 638</b>	<b>457 663</b>

At the start date of the lease, the Company used a market rate of 18.96% p.a. Changes in lease obligations are as follows:

thousand tenge	2024	2023
<b>As of 1 January</b>	<b>457 663</b>	<b>164 039</b>
Revenue	9 902	485 775
Interest expense on lease obligations	64 340	12 352
Payment of principal	(218 927)	(192 151)
Interest paid	(64 340)	(12 352)
<b>As at 31 December</b>	<b>248 638</b>	<b>457 663</b>
Including the following:		
Long-term rental debt	-	248 638
Short-term rental debt	248 638	209 025
	<b>248 638</b>	<b>457 663</b>

### 9. Deferred tax assets

The deferred tax amounts calculated by applying the applicable statutory tax rate at the relevant reporting date to the time difference between the taxable base of assets and liabilities and the data presented in the financial statements are as follows:

thousand tenge	31 December 2023	Recognised as profit or loss	Recognised in capital changes report	31 December 2024
Accrued cost of unused leave	21 269	14 393	-	35 662
Other tax liabilities	17 231	(7 812)	-	9 419
Loans received	(52 689)	52 689	-	-
Cash reserve	-	929	-	929
Property, plant and equipment	(14 440)	1 470	-	(12 970)
	<b>(28 629)</b>	<b>61 669</b>	<b>-</b>	<b>33 040</b>

### 10. Trade and other receivables

Trade receivables as at 31 December 2024 and 2023 are as follows:

thousand tenge	31 December 2024	31 December 2023
Trade receivables to third parties	14 998	28 039
	<b>14 998</b>	<b>28 039</b>

As of 31 December 2024 and 2023, trade receivables are denominated in tenge.

#### 11. Pre-payment of corporate income tax

As at 31 December 2024 and 2023, pre-payments of corporate income tax are presented as follows:

thousand tenge	31 December 2024	31 December 2023
Corporate income tax	167 386	-
	<b>167 386</b>	<b>-</b>

#### 12. Other current assets, (line code 022 of the balance sheet)

As of 31 December 2024 and 2023, other current assets are presented as follows:

thousand tenge	31 December 2024	31 December 2023
Short-term advances issued	113 998	24 744
Advances to employees	5 513	6 395
Other	38 512	8 375
Stock	50 305	35 324
Value added tax	-	-
Less: VAT reserve	-	-
	<b>208 328</b>	<b>74 838</b>

As of 31 December 2024 and 2023, other current assets are denominated in tenge, except for short-term advances issued in 2024 of US\$94,114 in the equivalent of US\$41,657 thousand in 2023 of US\$53,327 in the equivalent of 24,744 thousand tenge.

The value added tax reserve for 2024 and 2023 is as follows:

thousand tenge	2024	2023
As of 1 January	-	211 934
Recovery over the year	-	(211 934)
Accrual during the year	-	-
As at 31 December	-	-

In 2023, the Company used the accumulated amount of the VAT credit earned in previous years. This amount is reflected in other income in these financial reporting forms.

#### 13. Cash and cash equivalents

As at 31 December 2024 and 2023, the cash position is as follows:

thousand tenge	31 December 2024	31 December 2023
Cash on current bank accounts in tenge	30 011	1 937 298
Cash in correspondent accounts	290	-
Cash on current bank accounts in tenge	5 129 539	-
Less: expected credit loss reserve	(4 644)	(1 744)
	<b>5 155 196</b>	<b>1 935 554</b>

Cash and cash equivalents are not past due. Cash balances and their equivalents are assigned to Stage 1 credit risk.

Changes in the reserves for expected credit losses on cash are as follows:



# JSC "Aviation Administration of Kazakhstan"

## Notes to the financial statements for the year ended December 31, 2024

*all amounts are presented in thousands of Kazakhstani tenge*

thousand tenge	2024	2023
As of 1 January	(1 744)	(4 296)
Accrued reserve	(2 900)	2 552
As at 31 December	<b>(4 644)</b>	<b>(1 744)</b>

### 14. Share capital

As of December 31, 2024 and 2023, the share capital is as follows:

Number of shares	Share, %	31 December 2024	Share, %	31 December 2023
State Institution "Committee on State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan"	100%	1 877 337	100%	1 877 337
	<b>100%</b>	<b>1 877 337</b>	<b>100%</b>	<b>1 877 337</b>

In April 2022, on the basis of a decision of the Board of Directors, the Company sold to the Sole Shareholder announced shares in the amount of 2,912 ordinary shares at the price of 1,000 tenge per share.

### 15. Accumulated loss

thousand tenge	2024	2023
Undistributed profit (unfunded loss) at the beginning of the year	<b>(1 229 978)</b>	<b>(2 341 473)</b>
Profit (loss) for the reporting year	229 242	989 605
Dividend payment	(647 359)	
Other operations	(145 923)	121 890
Undistributed profit (unfunded loss) balance at year end	<b>(1 794 018)</b>	<b>(1 229 978)</b>

### 16. Treaty obligations

As at 31 December 2024 and 2023, the outstanding contractual obligations are as follows:

thousand tenge	31 December 2024	31 December 2023
Paid services	580 599	39 769
Compulsory contributions	4 277 881	17 575
	<b>4 858 480</b>	<b>57 344</b>

As of 31 December 2024 and 2023, the debt for obligations under contracts is expressed in tenge.

### 17. Trade and other accounts payable

Trade accounts payable as at 31 December 2024 and 2023 as follows:

thousand tenge	31 December 2024	31 December 2023
Trade payables from third parties	12 964	54 098
Trade payables from related parties	157	157
	<b>13 121</b>	<b>54 255</b>

As of December 31, 2024 and 2023, trade payables are denominated in tenge.

### 18. Other taxes and payments payable

As of December 31, 2024 and 2023, other taxes and payments payable are as follows:

thousand tenge	31 December 2024	31 December 2023
----------------	---------------------	---------------------



Tax at source	-	185 464
Individual income tax	51 492	89 641
Social tax	47 097	86 153
Value added tax	414 088	59 463
Pension contribution liability	49 720	49 975
Social contribution liability	4 117	3 081
Social health insurance contribution liabilities	6 973	5 544
	<b>573 487</b>	<b>479 321</b>

**19. Employee remuneration obligations**

As at 31 December 2024 and 2023, the employee payroll is as follows:

thousand tenge	31 December 2024	31 December 2023
Accrued expenses for unused vacations	178 312	106 344
Payroll arrears	80	200
	<b>178 392</b>	<b>106 544</b>

**20. Other current liabilities**

As of December 31, 2024 and 2023, other current liabilities are as follows:

thousand tenge	31 December 2024	31 December 2023
Other accounts payable	4 100	5 642
	<b>4 100</b>	<b>5 642</b>

**21. Loans received**

As at 31 December 2024 and 2023, the loans received are as follows:

thousand tenge	Currency	Maturity	Interest rate	31 December 2024	31 December 2023
RSE on PVC ‘Kazaeronavigation’ Civil Aviation Committee of the Ministry of Transport of Kazakhstan	Tenge	1 July 2026	0%	-	1 044 500
Discount	-	-	-	-	(263 447)
				-	<b>781 053</b>
<b>Including the following:</b>					
Short-term part of the financial obligations at amortized cost				-	-
Long-term portion of financial liabilities measured at amortized cost				-	781 053
				-	<b>781 053</b>

In September 2021, to ensure business continuity, the Company received an interest-free loan in the amount of KZT 2 226 000 thousand from the RSE “Kazaeronavigation” of the Civil Aviation Committee of the Ministry of Transport of the Republic of Kazakhstan, with a maturity date of July 1, 2026. According to the agreement, repayment of the principal is made according to the schedule starting from September 2023. The Company applied a market interest rate of 13.0% per annum to calculate the discount on the interest-free loan and, at the initial recognition date in 2021, recorded an adjustment to the fair value of the loan in the amount of KZT 597 132 thousand in equity, net of deferred tax of KZT 119 482 thousand.

In September 2023, the Company signed an additional agreement to amend the terms of the contract; in this regard, the Company recognized a discount from the modification of the received loans in equity. The

Company applied a market interest rate of 16,5% per annum to calculate the discount based on the modified cash flows of the interest-free loan and, at the date of modification in 2023, recorded an adjustment for the loan modification in the amount of KZT 231 225 thousand in equity, net of deferred tax of KZT 46 245 thousand.

In December 2023, the Company made a partial early repayment of the received loans at nominal value in the amount of KZT 810 500 thousand. In this regard, the Company recognized amortization of the discount from the early repayment of received loans in equity in the amount of KZT 78,862 thousand, net of deferred tax of KZT 15 772 thousand.

In 2024, the Company made an early repayment of the received loan in the amount of KZT 1 044 500 thousand and derecognized the accrued discount in the amount of KZT 145 925 thousand.

Interest expenses for the year ended December 31, 2024, using the effective interest rate method, amounted to KZT 117 522 thousand (2023: KZT 244 672 thousand).

Reconciliation of changes in liabilities and cash flows from financing activities:

thousand tenge	2024	2023
<b>Balance as at 1 January</b>	<b>781 053</b>	<b>1 870 244</b>
Repayment of loans received	(1 044 500)	(1 181 500)
<b>Total changes in cash flows from financial activities</b>	<b>(1 044 500)</b>	<b>(1 181 500)</b>
Discount from modification of received loans	-	(231 225)
Amortization of early repayment discount	145 925	78 862
Depreciation of loans received	117 522	244 672
<b>Total other non-monetary changes</b>	<b>263 447</b>	<b>92 309</b>
<b>Balance as at 31 December 2024</b>	<b>-</b>	<b>781 053</b>

## 22. Revenue from services rendered

Revenue from services rendered for the years ended December 31, 2024 and 2023 were comprised of the following items:

thousand tenge	2024	2023
Revenue from mandatory fees paid by air navigation service providers for aviation safety and security oversight	6 817 180	3 014 447
Revenue from compulsory contributions to airfield operators (helicopters)	311 320	172 620
Revenue from compulsory contributions to certified operators of civilian aircraft	314 448	184 081
Revenue from other services	258 083	120 691
	<b>7 701 031</b>	<b>3 491 839</b>

### Timing of revenue recognition:

thousand tenge	2024	2023
Services are provided during the period	7 701 031	3 491 839
Services are transferred at a certain time	-	-
	<b>7 701 031</b>	<b>3 491 839</b>



**23. Operating expenses**

thousand tenge	2024	2023
Wages and related taxes	5 483 530	4 419 516
Remuneration of Board members	10 725	
Cost of meetings of the Board of Directors	5 169	
Information services, including CIT	384 245	880 112
Travel expenses	653 608	607 585
Depreciation and amortization	297 050	226 298
Employee training services	158 079	186 917
Provision for unused leave	113 404	106 328
Access Services	35 453	23 648
Audit services	7 590	5 700
Entertainment expenses	26 068	9 256
Communication services	34 576	
Banking services	2 930	
Other expenses	170 315	254 042
	<b>7 382 742</b>	<b>6 719 402</b>

**24. Other operating income**

thousand tenge	2024	2023
Income from contributions from the state organization	-	4 488 693
Value added tax	-	211 934
Other income	1 849	20 162
	<b>1 849</b>	<b>4 720 789</b>

During 2023, the Company used the accumulated amount of VAT credit accrued in previous years.

**25. Net loss on foreign exchange transactions**

thousand tenge	2024	2023
Exchange cost difference	525	7 570
	<b>525</b>	<b>7 570</b>

**26. Expense from impairment of financial instruments**

thousand tenge	2024	2023
Expense from impairment of financial instruments	2 900	-
	<b>2 900</b>	<b>-</b>

**27. Financial income**

thousand tenge	2024	2023
Compensation income	155 220	-
	<b>155 220</b>	<b>-</b>

**28. Financial costs**

thousand tenge	2024	2023
Leasing costs	64 341	12 352
Depreciation of financial obligations, at amortized cost	117 522	244 672
	<b>181 863</b>	<b>257 024</b>

**Income from contributions from the state organization**

In previous years, the activities of the Society according to the Law of the Republic of Kazakhstan «On the use of air space and aviation activities» from 15 July 2010 339-IV was financed by allocations for ensuring

the safety of flights of civil aviation, where the source of contributions was the provider of air navigation services of WGP «Kazaeronavigation».

In February and April 2023, the Company received proceeds from disbursements from the state organization «Kazaeronavigation» under the financing of activities amounting to 3,847,503 thousand tenge, which, together with the unused portion, the Company used to support its operations during 2023.

For the years ended 31 December 2024 and 2023, the income from contributions from the state organization is presented as follows:

thousand tenge	2024	2023
Civil aviation security contribution	-	4 488 693
	-	4 488 693

*Income movements in future periods*

thousand tenge	2024	2023
As of 1 January	-	641 190
Deductions received	-	3 847 503
Recognized in other income during the year	-	(4 488 693)
		-

**29. Expenses (-)/income tax savings**

The Company calculates taxes on the basis of accounting data, which are conducted in accordance with the legislation of the Republic of Kazakhstan. Future time differences are created for tax losses that can be offset against future profits. The main components of income tax expenditure for the year ended 31 December 2024 are as follows:

thousand tenge	2024	2023
Current income tax		
Corporate income tax	(93 868)	(307 435)
Deferred income tax		
Savings/(expenditure) on deferred income tax	33 040	68 408
	(60 828)	(239 027)

**30. Related party operations**

In accordance with IFRS (IAS) 24 "Related Party Disclosures," parties are considered to be related if one party has the ability to control or significantly influence the operational and financial decisions of the other party. In determining whether parties are related, the substance of the relationship is considered rather than merely its legal form.

Related parties may enter into transactions that would not be undertaken between unrelated parties. The prices and terms of such transactions may differ from those of transactions between unrelated parties.

Transactions with related parties were carried out with an entity under common control.

thousand tenge	2024	2023
Other income		
Income from contributions from state organization		
- RSE on PVC «Kazaeronavigation», company under general control	-	4 488 693
Proceeds from the sale of goods, works and services		



Revenue from mandatory fees paid by air navigation service providers for aviation safety and security oversight and paid services

- RSE on PVC «Kazaeronavigation», company under general control	6 852 388	3 011 163
	<b>6 852 388</b>	<b>7 499 856</b>

#### *Short-term trade and other creditor debt*

thousand tenge	2024	2023
RSE on PVC «Kazaeronavigation», company under general control	4 470 194	157

#### *Administrative expenses*

thousand tenge	31 December 2024	31 December 2023
RSE on PVC «Kazaeronavigation», company under general control	-	2 972

#### *Remuneration of key management staff*

As of 31 December 2024, the core staff consists of four people (31 December 2023: six people), including the Director-General and his First Deputy, and alternates. The total compensation of key management personnel during the reporting period was 302 564 tenge (2023: 332 337 tenge).

### **31. Financial risk management**

In connection with its activities, the Company is exposed to various financial risks associated with its financial instruments. The main financial instruments of the Company include: cash and its equivalents, accounts payable and loans received.

The Company's risk management is coordinated by the Company's management in close collaboration with shareholders and focuses on providing the Company with short- and medium-term cash flows to minimize exposure to financial market volatility.

Society is not involved in trading financial instruments for speculative purposes.

The most significant financial risks to which the Society is exposed are presented below.

#### **Currency risk**

The Company carries out some transactions expressed in foreign currency. In this connection, there is a risk of changes in exchange rates. As of December 31, 2024 and 2023, the Company has minor currency balances on other current assets and accounts payable that will not materially affect the Company's profits and losses in case of exchange rate changes.

#### **Liquidity risk**

Liquidity risk is the risk of difficulties for the Company in obtaining funds to settle obligations related to financial instruments. Liquidity risk may arise as a result of not being able to sell the financial asset quickly at a price close to its fair value.

The Company regularly monitors its liquidity needs, however, the Company's liabilities are not covered by assets. The Company does not have a prescribed policy to manage liquidity risk.

The following table presents the financial obligations of the Company in terms of maturities remaining before maturity, based on undiscounted cash flows to be paid:

thousand tenge	Cash flows under contract			
	Less than 3 months	3 to 12 months	1 to 5 years	Total

# JSC "Aviation Administration of Kazakhstan"

## Notes to the financial statements for the year ended December 31, 2024

all amounts are presented in thousands of Kazakhstani tenge

31 December 2024				
Rent arrears	-	248 638	-	248 638
Financial liabilities at amortized cost	-	-	-	-
Short-term trade and other creditor debt	13 121	-	-	13 121
<b>Total unliquidated financial obligations</b>	<b>13 121</b>	<b>248 638</b>	<b>-</b>	<b>261 759</b>

### Cash flows under contract

thousand tenge	Less than 3 months	3 to 12 months	1 to 5 years	Total
31 December 2023				
Rent arrears	68 177	204 530	272 707	545 414
Financial liabilities at amortized cost	-	-	1 044 500	1 044 500
Short-term trade and other creditor debt	54 255	-	-	54 255
<b>Total unliquidated financial obligations</b>	<b>122 432</b>	<b>204 530</b>	<b>1 317 207</b>	<b>1 644 169</b>

### Credit risk

Credit risk is the risk that one party to a financial instrument will not be able to meet the obligation and cause the other party to suffer a financial loss. The Company is exposed to credit risk as a result of its operating activities. The management of the Company periodically reviews the credit ratings of banks, in order to exclude extraordinary credit risks.

thousand tenge	Location	Agency	Rating as at 31 December 2024	Rating as at 31 December 2023	Rating as at 31 December 2024	Rating as at 31 December 2023
JSC «Halyk Bank of Kazakhstan»	Kazakhstan	Fitch Rating	BBB-/ stable	BBB-/ stable	5 155 196	1 935 554
					<b>5 155 196</b>	<b>1 935 554</b>

The Company's credit risk is mainly concentrated in the Republic of Kazakhstan. The degree of credit risk is constantly monitored to ensure compliance with financial instrument limits and creditworthiness.

### Interest rate risk

As of 31 December 2024 and 2023, the Company has no financial obligations with a variable remuneration rate.

### 32. Capital management

The Company does not have an official capital management policy, but management takes steps to maintain capital at a level sufficient to meet the Company's operational and strategic needs.

The main objectives of the Company with regard to capital management are compliance with the requirements of the legislation of the Republic of Kazakhstan on the composition and structure of the authorized capital of the Company, as well as ensuring the activities of the Company on a continuous basis.

### 33. Fair value of financial instruments

Fair value is defined as the price that would have been received for the sale of an asset or paid for the transfer of an obligation in a normal transaction between market participants at the valuation date. As there



are no ready-made markets for most of the Company’s financial instruments, assumptions based on current economic conditions and the specific risks inherent in the instrument should be used when estimating fair value.

Management assumes that the carrying amount of the Company’s financial assets and liabilities is not significantly different from their fair values as at 31 December 2024 and 2023.

*Hierarchy of fair value estimates*

The following levels of fair value are distinguished:

- Level 1: quoted (unadjusted) prices of identical assets and liabilities in active markets.
- Level 2: Source data other than quoted prices used for Level 1 estimates that are either directly (i.e. prices) or indirectly (i.e. price based).
- Level 3: Baseline data for assets and liabilities that are not based on observable market data (unobserved baseline data).

The fair value of the Company’s financial assets and liabilities is at Level 2 of the fair value hierarchy as at 31 December 2024 and 31 December 2023.

**Contractual and contingent obligations**

*Operating environment*

Economic reforms and the development of legal, tax and administrative infrastructure that meets the requirements of a market economy are continuing in Kazakhstan. The stability of the Kazakh economy will largely depend on the progress of these reforms, as well as on the effectiveness of the measures taken by the Government in the field of economic, financial and monetary policy.

*Taxation in Kazakhstan*

The tax system of Kazakhstan, being relatively new, is characterized by frequent changes in legislative norms, official explanations and judicial decisions, often not clearly stated and contradictory, which allows their ambiguous interpretation by different tax authorities. Includes views on how income, expenses and other items of financial reporting should be accounted for in accordance with IFRS.

Checks and investigations on the correctness of tax calculations are carried out by regulatory bodies at different levels, which have the power to impose large fines and collect interest. The correct calculation of taxes in the reporting period may be verified during the following three calendar years, but under certain circumstances this time limit may be extended. These circumstances may mean that tax risks in Kazakhstan will be much higher than in other countries. The management of the Company, based on its understanding of applicable tax legislation, regulatory requirements and court decisions, considers that the tax obligations are fully reflected.

However, the interpretation of these provisions by the authorities concerned may be different and, if they are able to prove their position, this could have a significant impact on actual financial reporting.

*Court proceedings*

In the ordinary course of business, the Society may be subject to various legal proceedings and claims. The Company assesses the likelihood of a significant liability arising in the light of the circumstances and reflects the corresponding provision in its financial statements only when it is likely that resources will be required to settle the liability, and the amount of the obligation can be measured with sufficient reliability.

Management believes that actual liabilities, if any, will not materially affect the Company’s current financial statements and results.

*Insurance*

The company has mandatory insurance of civil liability of the employer for causing harm to the life and health of the employee in the performance of work (service) duties. Insurance protection is provided for


employees of the Company. The Company has mandatory insurance coverage according to insurance policies acquired from commercial insurance companies of Kazakhstan.

**34. Events after the reporting date**

In the period after the end of the reporting period prior to the date of approval of this financial statement, there were no other significant events in the activities of the Company that required adjustment or disclosure in the notes to this financial statement.

**35. Approval of financial statements**

This financial statement was approved by the management of the Company and approved for release on June 24, 2025.

  
\_\_\_\_\_  
**Acting General Director  
Seitova A.A.**



  
\_\_\_\_\_  
**Chief Accountant  
Zhumina R.K.**





**To the Management of the  
Joint Stock Company  
"Aviation Administration of Kazakhstan"**

In accordance with the agreement for financial statement audit services No. 44 dated April 16, 2025, we began to audit the financial statements of Joint Stock Company "Aviation Administration of Kazakhstan", which include the balance sheet, profit and loss statement, cash flow statement, statement of changes in equity, significant accounting policies and other explanatory information for the year ended December 31, 2024.

The objective of the audit will be to express an opinion on the fair presentation of the financial statements.

We will conduct our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of the audit process, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may remain undetected even though the audit is properly planned and performed in accordance with ISAs.

In assessing risks, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control.

In addition to our auditor's report (audit report) on the financial statements, we will prepare for you a separate letter regarding all significant deficiencies in the accounting and internal control systems that came to our attention during the audit of the financial statements.

Our audit will be conducted on the basis that the entity's management acknowledges and understands its responsibility:

- a) for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards;
- b) for such internal controls as management has determined are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- c) for providing the auditor with:
  - access to all information that management of the entity knows is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - additional information that the auditor may request from the entity's management for the purposes of conducting the audit;
  - unlimited access to persons within the entity from whom the auditor considers it necessary to obtain audit evidence.

As part of the audit process, we will seek written confirmation from the entity's management and, where appropriate, those charged with governance, of the representations made to us in connection with the audit.

We look forward to the full cooperation of your staff during the audit and trust that they will provide us with all necessary records, documents, written confirmations and other information that we may request in connection with the audit.

By this letter you confirm your consent:

a) provide us with the preliminary financial statements and any other supporting information, as well as the final financial statements, in a timely manner in accordance with the terms of the agreement, so that we can complete the audit within the timeframes specified in the agreement.

б) inform us of facts that could affect the financial statements and that became known to you during the period between the date of the auditor's report and the date of issue of the financial statements.

в) provide the right of access to all information that you know is relevant to the preparation of the financial statements, as well as to all additional information that we may request from you for the purposes of performing the audit.

г) grant the right of unrestricted access to persons within your organization from whom the auditor considers it necessary to obtain audit evidence.

Our fee, which will be paid in accordance with the agreement, is calculated based on the time required for the audit and includes all additional expenses.

Please sign and return to us the enclosed copy of this letter to confirm that you acknowledge and agree to the terms of our audit of the financial statements, including our related responsibilities.

on behalf of **Audit Business Group LLP**

Director  **Dossymov B.Zh.**

Confirmed

**Joint Stock Company "Aviation Administration of Kazakhstan"**

Acting General Director



 **Seitova A.A.**



This letter of representation has been prepared in connection with your audit of the financial statements of Joint Stock Company "Aviation Administration of Kazakhstan" (hereinafter referred to as the Company) for the year ended December 31, 2024, the purpose of which is to express an opinion on the reliability of the financial statements in all material respects in accordance with International Financial Reporting Standards (IFRS).

Based on all the information at our disposal and following the results of the inquiries that we considered necessary to obtain appropriate information, we confirm the following:

1. We have fulfilled our obligations to prepare financial statements in accordance with IFRS, which are set out in the terms of the Agreement for Services on Audit of Financial Statements No. 44 dated April 16, 2025; namely, we confirm that as the management of the Company, we are responsible for the fair presentation of the financial statements in accordance with the said standards and the requirements of the legislation of the Republic of Kazakhstan.

2. We believe that the financial statements for the year ended 31 December 2024 present fairly and fairly the financial position of the Company, as well as its financial performance and its cash flows, in accordance with IFRS and are free from material misstatements, including omissions.

3. All transactions are included in the accounting records and reflected in the financial statements.

The significant accounting policies used in the preparation of the financial statements are properly disclosed in the financial statements.

4. There is no effect on the financial statements of uncorrected errors (including adjustments to amounts, classifications, presentation or disclosure), either individually or in the aggregate.

5. You have been provided with:

5.1 access to all information of which we are aware and which is relevant to the preparation of the financial statements, such as reports, documentation and other materials;

5.2. additional information that you have requested for audit purposes;

5.3. unrestricted access to persons in the Company from whom you considered it necessary to obtain audit evidence.

6. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud. There are no material omissions or deficiencies in the organization of the internal control system that could adversely affect the ability to collect, process and summarize accounting data and prepare the financial statements of the Company, as well as the prevention and detection of fraud.

7. We have communicated to you the results of our assessment of the risk associated with material misstatement of the financial statements due to fraud. We have disclosed all information related to fraud or suspected fraud of which we are aware and which affects the Company, including involving:

7.1. management;

7.2. employees holding a significant position in the internal control system;

7.3. or other persons when fraud has a material effect on the financial statements.

8. We have disclosed all information regarding allegations of fraud or suspected fraud affecting the Company's financial statements that have been reported by employees, former employees, analysts, regulators and others.

9. We understand the term "fraud" as it is used in International Standard on Auditing 240 "The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements", that is, as intentional deceptive actions by an individual or group of individuals who are representatives of management, representatives of owners, employees, third parties, committed for the purpose of obtaining illegal or unjustified benefits of two types: from misappropriation of property and from falsification of financial statements. Misappropriation of property may be accomplished in various ways, including through embezzlement of funds, theft of tangible assets or intellectual property, use of the Company's property for personal purposes, or through the execution of documents for payment for goods and services not received by the organization. Such actions may or may not be accompanied by falsification or incorrect preparation of documents and records in order to conceal the fact of a shortage of property or its transfer as collateral without proper approval. Fraudulent financial statements consist of intentionally misrepresenting the financial statements or intentionally omitting numbers or disclosures in the financial statements in order to mislead users of the financial statements. Fraudulent financial statements include committing such fraudulent acts as entering false information or distorting corrections in the supporting documents and records from which the financial statements are prepared, or misrepresenting or intentionally omitting events, transactions or other material information from the financial statements; and intentionally misapplying accounting principles relating to the determination of value, classification, presentation and disclosure of information.

10. In cases where non-compliance or suspected non-compliance with laws and regulations, the effect of which should be taken into account in the preparation of the financial statements, we would disclose this information to you. As of the date of issuance of the financial statements, we are not aware of any non-compliance by the Company with laws and regulations. Management believes that there have been no material violations of the laws of the Republic of Kazakhstan in the course of business activities. We have disclosed information about all known cases.

11. We have disclosed information about all known actual or potential legal proceedings and claims, the effect of which should be taken into account in the preparation of the financial statements, and such matters have been appropriately accounted for and disclosed in accordance with the requirements of IFRS.

12. We have disclosed information about all related parties of the Company, as well as about all related party relationships and transactions with them of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of IFRS.

13. The Company fully complied with all the requirements of IAS 24 Related Party Disclosures. In particular:

13.1 We recognise that parties are considered to be related when:

13.1.1 One party, directly or indirectly through one or more intermediaries: (i) controls, is controlled by, or is under common control with the other party; (ii) has an interest in the other entity that gives it significant influence over the other party; or (iii) has joint control over the other party;

13.1.2 one of the parties is an associate of the other party (in accordance with IAS 28 Investments in Associates and Joint Ventures);



13.1.3 one of the parties is a member of the key management personnel of the other party or its parent company;

13.1.4 one of the parties is a family member of one of the individuals listed in paragraphs 13.1.1 or 13.1.3.

Key management personnel are those persons who directly or indirectly have authority and responsibility for planning, directing and controlling the activities of the Company. Close relatives of an individual are those members of his family who, presumably, can influence this person or be influenced by him, in the process of their interaction with the economic entity in question. Transactions between related parties include any redistribution of resources, services or obligations between the parties, regardless of whether they are of a remunerated or gratuitous nature.

We believe that the founder of the Company and dependent parties are related parties. You have been provided with a full list of related parties with whom the Company conducted transactions during the reporting period or on unfinished transactions, with whom there were account balances as of the reporting date and/or any date of the next reporting period up to and including the date of this letter, indicating the full legal name, description of the nature of the relationship and transactions and/or account balances. Transactions with related parties are disclosed in the financial statements in full.

No information was received from authorized state bodies regarding non-compliance with current accounting rules, as well as rules for preparing accounting and other forms of reporting that could have a significant impact on the financial statements. The Company complied with all aspects of contractual agreements that would have had a significant impact on the financial statements in the event of non-compliance.

14. Management has prepared these financial statements on a going concern basis. As of December 31, 2024, the Company's uncovered loss amounted to 1 794 018 thousand tenge. Net cash flows from operating activities for the year ended December 31, 2024, amounted to: 4 832 833 thousand tenge, which consisted of cash inflows from the Company's main activities.

The management believes that the Company will continue to operate as a going concern for the foreseeable future. This management judgment is based on the consideration of the Company's financial position, current development plans and expected profitability of its activities, as well as compliance with the objectives in accordance with the Charter.

15. These financial statements do not include any adjustments to the carrying amounts of assets and liabilities, recognized income and expenses, or classifications of statements of financial position that might be required because of this uncertainty, and such adjustments could be material.

16. The financial statements properly reflect all assets of the Company known to us. The Company has ownership rights to all property, including fixed assets – 148 759 thousand tenge, intangible assets – 31 626 thousand tenge. The Company has no property under arrest, pledge, guarantees or other types of encumbrance of property.

The useful lives of property, plant and equipment and their components as of December 31, 2024, are the best estimates of the Company's management and represent the periods during which, in our opinion, the Company will be able to derive economic benefits from the property, plant and equipment. The useful lives and expected share of consumption of economic benefits determined by the Company for all depreciable assets provide an appropriate basis for systematically allocating the depreciable amount of assets.

17. There are no outstanding claims or settlements with government agencies regarding emissions, leaks or other activities of the Company that may cause damage to the environment.



18. The total amount of trade and other receivables reflected in the financial statements in the amount of 14 998 thousand tenge represents actual claims against the Company's debtors for the payment of mandatory deductions for the implementation of ongoing supervision of flight safety and aviation security, as well as the provision of paid services.

19. The Company does not have any financial instruments other than those that are properly reflected in the financial statements or disclosed in the notes thereto. Financial instruments are measured at fair value, amortized cost or cost in the prescribed manner. The classification of financial instruments in the financial statements reflects the intention and ability of management to hold these financial instruments.

20. In accordance with IFRS 9 Financial Instruments, as of each reporting date, the Company recognizes an allowance for expected credit losses on a financial instrument in an amount equal to the expected credit losses (ECL) for the entire life of the financial asset if the credit risk on the financial instrument has increased significantly since initial recognition. This assessment is made on a collective basis and should be made taking into account all reasonable and supportable information, including forward-looking information.

The estimated reserve for ECL is determined in the amount of 4 644 thousand tenge.

21. There are no significant claims or demands from tax authorities that are unknown to you and that have not been properly disclosed in the financial statements. We are not aware of any significant additional tax liabilities related to the payment of fines and penalties that have not been properly reflected in the financial statements.

22. Except for the facts reflected in the financial statements, there are no:

- written or oral guarantees provided by the Company for the obligations of any dependent organization, General Director, official or other third party;
- options or agreements to repurchase previously sold assets;
- other off-balance sheet accounts;
- other material agreements that are not typical for the financial and economic activities of the Company.

23. The Company has no plans or intentions that could significantly affect the carrying amount or classification of its assets and liabilities.

24. Funds are placed in financial institutions that have a minimal risk of default at the time of placement of funds.

25. The financial statements reflect all actual and contingent liabilities of the Company known to us. We are not aware of any other material liabilities, contingent profits or losses that must be accrued or disclosed in the financial statements of the Company in accordance with IAS 37 "Estimated Liabilities, Contingent Liabilities and Contingent Assets". We are not aware of any committed or possible violations of laws or regulations that are subject to disclosure in the financial statements or require the creation of a corresponding reserve in the financial statements. In addition, we are not aware of any claims made or possible to be made against the Company by third parties, including in a court of general jurisdiction, arbitration or arbitration courts, which may entail significant losses for the Company, and we have not resorted to legal advice on any material issues either during the period under review or after, up to the date of the letter. We confirm that neither during the reporting period nor after the date of this letter has the Company used the services of an external consultant on legal matters. We have disclosed information about all known actual or potential legal proceedings and claims, the impact of which should be taken into account in the preparation of the financial statements, and such matters have been appropriately taken into account and disclosed in accordance with the requirements of IFRS.



26. As of the date of this letter, we are not aware of any events that occurred in the period after the reporting date and up to the date of this letter, other than those described in the Note to the financial statements for the year ended December 31, 2024, that could lead to material adjustments or disclosures in the financial statements. The Company's accounting records for the period after the reporting date and up to the date of the letter do not include any amounts unknown to you related to material transactions that should have been reflected in the financial statements of previous periods.

27. We confirm that we strictly comply with the requirements of the Law of the Republic of Kazakhstan "On Combating the Legalization (Laundering) of Proceeds from Crime and the Financing of Terrorism" and we have brought to your attention all known cases of potential non-compliance with this Law, the consequences of which should be taken into account when preparing financial statements and which could have a significant impact on the financial statements.

28. The Company's management acknowledges that if, in the course of providing services, auditors encounter transactions subject to financial monitoring, as defined by the Law of the Republic of Kazakhstan "On Combating the Legalization (Laundering) of Criminally Obtained Incomes and the Financing of Terrorism", the auditor is obliged to report information about such transactions to the relevant authorized bodies. The obligation to report information arises regardless of whether the knowledge or suspicion is related to the actions of the Client or a third party, and regardless of the place where these actions are committed. At the same time, if the auditor reports information in accordance with this paragraph, the auditor does not have the right to notify the Client about this or discuss it with him in connection with the restrictions established by the provisions of the Law of the Republic of Kazakhstan "On Combating the Legalization (Laundering) of Criminally Obtained Incomes and the Financing of Terrorism". In this regard, the management assures the auditor that it will not have any claims against the auditor, including in connection with the disclosure of confidential information, in cases where the auditor provides information to the authorized body in accordance with the Law of the Republic of Kazakhstan "On Combating the Legalization (Laundering) of Criminally Obtained Incomes and the Financing of Terrorism."

29. We acknowledge that, as part of the audit, we have provided you with reliable information and documents to identify the legal entity performing the transaction with money and (or) other property, to record the information necessary to identify the recipient for transactions with money and (or) other property that could have a significant impact on the financial statements.

30. The company carries out its activities in accordance with the constituent documents and relevant decisions of the management body.

31. These financial statements for the year ended December 31, 2024, were signed by the Management of the Company on June 24, 2025.

Acting General Director



Seitova A.A.

Chief accountant



Zhumina R.K.

Astana

Stamp Area

