Teach for Qazaqstan Public Fund

Financial statements

For the year ended December 31, 2024

with Independent auditor's report

CONTENTS

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES
for the preparation and approval of the financial statements
for the year ended December 31, 2024

The following statement, which should be read in conjunction with the independent auditor's responsibilities, is made with a view to distinguish the respective responsibilities of management and those of the independent auditors in relation to the financial statements Teach for Qazaqstan PF (the "Fund").

Management of the Fund is responsible for the preparation of the financial statements that present fairly the financial position of the Fund as at December 31, 2024, the results of its operations, cash flows and changes in equity of the Fund for the year ended December 31, 2024, in accordance with the International Financial Reporting Standards (the "IFRS").

In preparing the financial statements, management is responsible for:

- selecting suitable accounting policies and applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- stating whether requirements of the accounting legislation of the Republic of Kazakhstan and IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Fund will continue in business for the foreseeable future.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal control, throughout the Fund;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Fund, and which enable them to ensure that the financial statements of the Fund comply with IFRS;
- maintaining statutory accounting records and operations in compliance with the legislation of the Republic of Kazakhstan and the IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Fund; and
- detecting and preventing fraud, errors and other irregularities.

Signed and approved of issue on behalf of Management of the Fund on June 2, 2025.

Director _______________ *Ms. Salmen G.I.*

Accountant _______________ *Ms. Kalniyazova A. A.*

bakertilly

050059, the Republic of Kazakhstan
Almaty, 19, Al-Farabi Ave.
BC Nurly Tau, Block 1B, off. 403
www.bakertilly.global

INDEPENDENT AUDITOR'S REPORT

To the Participants and Management of Teach for Qazaqstan PF

Opinion

We have audited the financial statements of Teach for Qazaqstan PF (the "Fund"), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2024, and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

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

Responsibility of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

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

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Auditor's responsibility for the audit of the financial statements

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

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

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

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

The auditor responsible for the audit, based on the results of which this independent auditor's report was issued, is Aizhan Iskakova.

Yerlan Islambekov Director Baker Tilly Qazaqstan Audit LLP	Aizhan Iskakova Auditor
State audit license for audit activities on the territory of the Republic of Kazakhstan #22023129 issued by the Internal State Audit Committee of the Ministry of Finance of the Republic of Kazakhstan dated December 07, 2022	Auditor qualification certificate # MF-0001727 dated July 02, 2021
June 2, 2025.	June 2, 2025.

STATEMENT OF FINANCIAL POSITION
As of December 31, 2024

In thousands of Tenge	Notes	December 31, 2024	December 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5	**2,272**	1,945
Intangible assets	6	**38**	51
		2,310	1,996
Current assets			
Inventories	7	**8,514**	14,992
Advances paid	8	**3,288**	23,393
Cash and cash equivalents	9	**398,566**	217,196
Other current assets	10	**745**	561
		411,113	256,142
TOTAL ASSETS		**413,423**	258,138
		–	–
Current liabilities			
Liabilities under donor agreements	11	**402,893**	246,353
Provision for unused vacations		**9,266**	9,269
Other current liabilities		**1,264**	2,516
		413,423	258,138
TOTAL LIABILITIES		**413,423**	258,138
TOTAL EQUITY AND LIABILITIES		**413,423**	258,138

The notes to the financial statements form an integral part of these financial statements.

Signed and approved of issue on behalf of Management of the Fund on June 2, 2025.

Director _______________ *Ms. Salmen G.I.*

Accountant _______________ *Ms. Kalniyazova A. A.*

STATEMENT OF COMPREHENSIVE LOSS
For the year ended December 31, 2024

In thousands of Tenge	Notes	2024	2023
Revenue			
Donations income	12	**447,270**	354,363
Financing income	15	**44,393**	27,247
		491,663	381,610
Expenses			
General and administrative expenses	13	**(261,129)**	(213,035)
Educational program expenses	14	**(230,525)**	(166,751)
Other income / (expenses), net		**–**	(1,803)
		(491,654)	(381,589)
Foreign exchange gain / (loss), net		**(9)**	(21)
Profit / (loss) before income tax		**–**	–
Other comprehensive income		**–**	–
Total comprehensive income / (loss) for the year		**–**	–

The notes to the financial statements form an integral part of these financial statements.

Signed and approved of issue on behalf of Management of the Fund on June 2, 2025.

Director ______________ Ms. Salmen G.I.

Accountant ______________ Ms. Kalniyazova A. A.

STATEMENT OF CASH FLOWS
For the year ended December 31, 2024

In thousands of Tenge	2024	2023
OPERATING ACTIVITIES:		
Loss before income tax	–	–
Adjustments for:		
Depreciation and amortization	1,125	905
Finance income	44,393	27,247
Net foreign exchange gain / (loss)	9	21
Changes in working capital:		
Change in inventories	6,478	(14,992)
Change in advances paid	19,978	(21,502)
Change in prepayment for other taxes and payments to the budget	260	(260)
Change in other current assets	(44,553)	(27,324)
Change in trade payables	(127)	(2,033)
Change in liabilities for other taxes and obligatory payments to budget	1,165	(65)
Change in other current liabilities	153,914	110,503
Net cash flows from operating activities	182,642	72,500
INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	(1,739)	(472)
Acquisition of intangible assets	300	–
Net cash flows from investing activities	(1,439)	(472)
Net change in cash and cash equivalents	181,203	72,028
Effect of changes in foreign exchange rates	167	–
Cash and cash equivalents at the beginning of the year	217,196	145,168
Cash and cash equivalents at the end of the year	398,566	217,196

The notes to the financial statements form an integral part of these financial statements.

Signed and approved of issue on behalf of Management of the Fund on June 2, 2025.

Director ____________________ *Ms. Salmen G.I.*

Accountant ____________________ *Ms. Kalniyazova A. A.*

1. GENERAL INFORMATION

Public Foundation "Teach for Qazaqstan" (the "Foundation") was registered on September 28, 2022, by the Department of Justice of the city of Astana, Republic of Kazakhstan. The legal address of the Foundation is: Republic of Kazakhstan, city of Astana, Nura district, Kabanbai Batyr Avenue, building 15/1. The founders of the Foundation are private individuals: G. I. Salmen, D. D. Ikbaev, and A. Zh. Shokparov.

The General Meeting of the Founders is the highest governing body of the Foundation. The collegial governing body of the Foundation is the Board of Trustees, which oversees the compliance of the Foundation's activities with its statutory objectives. The executive body of the Foundation is the Director.

The purpose of the Foundation is the implementation of projects in the field of education, including, but not limited to, projects aimed at providing children from schools with complex social contexts in villages and cities with modern educational opportunities (hereinafter – the "Program"). For these purposes, the Foundation organizes and finances the selection, training, mentoring, methodological support, as well as scholarship support for participants during their two-year participation in the Program.

During 2024, the Fund received charitable assistance on a quarterly basis from the corporate foundation "Freedom Shapagat" in the total amount of 440,706 thousand tenge, in accordance with the sponsorship agreement No. D2023/12/08 concluded in the previous reporting period.

These financial statements were approved for issue by Management of the Fund on June 2, 2025.

2. BASIS OF PREPARATION

The Fund's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as amended by the International Accounting Standards Board (IASB).

These financial statements have been prepared on a historical cost basis. The financial statements are presented in Tenge and all amounts are rounded to the nearest thousand, unless otherwise stated.

Going concern

These financial statements have been prepared on the assumption that the Fund will continue as a going concern in the foreseeable future. The Fund continues its operations and has no plans for liquidation or discontinuation of its activities in the near future.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Segment Reporting

Fund's activities represent a single operating segment for the purposes of IFRS 8 "Operating Segments." An operating segment is a component of the Fund's business that engages in commercial activities from which the Fund earns revenues or incurs expenses (including revenues and expenses related to transactions with other components of the Fund's business), whose performance is regularly reviewed by the chief operating decision-maker for the purpose of allocating resources among segments and assessing their financial results, and for which financial information is available. The Fund's assets are primarily concentrated in the Republic of Kazakhstan, and the majority of its revenue and net profit are generated from activities conducted in and related to the Republic of Kazakhstan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Current versus non-current classification of assets and liabilities

The Fund presents assets and liabilities in the statement of financial position based on current / non-current classification.

An asset is current when it is:

- expected to be realized or intended to sold or consumed within the normal operating cycle;
- held primarily for purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Fund classifies all other liabilities as non-current.

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

Fair value measurement

For the purposes of fair value disclosure, the Foundation classified assets and liabilities based on their nature, inherent characteristics and risks, as well as the applicable level in the fair value hierarchy, as set out below.

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

Revenue recognition

The Foundation's activities constitute charitable activities in accordance with the Law of the Republic of Kazakhstan "On Charity".

Income from Donations

Charitable Assistance from Donors

Charitable assistance from donors is conditional and recognized as income up to the amount of targeted expenses incurred by the Foundation on charitable projects, programs, organizational and administrative needs, and other types of expenses within the framework of the statutory activities, taking into account the terms specified in the agreements.

Voluntary Donations

Voluntary donations and charitable assistance from individuals and legal entities are represented by sponsorship and charitable monetary contributions. Contributions to the Foundation are voluntary in nature. Contributions are recognized as income at the moment they are received.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income from Financing

Income from financing represents income from interest on bank deposits and cash balances and is accrued on a daily interest basis (using the effective interest rate method).

Contract balances

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Fund performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Liabilities under Donor Agreements

Donors provide charitable assistance to the Foundation for the purpose of implementing the Program and covering operating expenses incurred during the period. Unused funds allocated for the Program implementation and operating expenses that exceed the actual costs incurred are recognized by the Foundation as short-term liabilities to the Donors.

Expenses

Expenses are recorded at the time of the actual receipt of the relevant goods or services, independent of when the cash and cash equivalents have been paid and are reported in the financial statements in the period to which they relate on the accrual basis.

Taxes

The Foundation is registered in the Republic of Kazakhstan as a non-profit organization. In accordance with tax legislation, income received under targeted financing (grants, charitable assistance, etc.) is exempt from corporate income tax. Income from entrepreneurial activities is subject to taxation at the general rate unless otherwise stipulated by law.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries which the Fund operates and receives taxable income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes (continued)

Current income tax (continued)

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at 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 an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be 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 the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits 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 year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority from the same organization whose operations are taxed, or from different organizations whose operations are taxed that intend I either carry out calculations on current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously in each future period in which the expected repayment or reimbursement of significant amounts of deferred tax liabilities or assets.

Value Added Tax (VAT)

The Foundation is not a value-added tax (VAT) payer, as the volume of taxable turnover does not exceed the established threshold for mandatory registration. In the event of VAT registration, the relevant services and transactions shall be subject to taxation under the general procedure.

Tax legislation provides for the settlement of value-added tax (VAT) on a net basis for sales and purchases. Thus, recoverable VAT represents VAT on purchases less VAT on sales.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Value Added Tax (VAT) (continued)

VAT payable

In accordance with the Tax Code of the Republic of Kazakhstan, the excess of the amount of VAT accrued over the amount of offset VAT is recognized as payable to the budget, that is, the VAT accrued on the sale of goods (works, services) is credited against acquisitions (purchases) on a net basis.

VAT recoverable

The VAT recognized as offset is formed on the acquired goods (works, services). The Fund has the right to include VAT amounts payable for received goods, including fixed assets, intangible assets, works and services, if they are used in the reporting tax period or will be used for taxable turnover, as well as for availability of supporting documents.

Deductions from employee benefits

The Fund pays social tax and social contributions in accordance with the tax legislation of the Republic of Kazakhstan at the rates of 9.5% and 3.5%, respectively, and compulsory health insurance at the rate of 2% from January 1, 2024, as well as withholds and pays medical insurance at the rate 2% of the salary.

The Fund withholds obligatory pension contributions at the rate 10% of the salary of its employees as contributions to their pension funds.

The Fund also withholds income tax from employees' wages at the rate of 10%, and pays it to the budget of the Republic of Kazakhstan.

Foreign currencies

The Fund's financial statements are presented in Tenge, which is also the Fund's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Fund at the spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The weighted average exchange rates established on the Kazakhstan Stock Exchange (hereinafter referred to as "KASE") are used as official exchange rates in the Republic of Kazakhstan.

The exchange rate as at December 31, 2024 and 2023, as well as the weighted average rates prevailing for the years ended December 31, 2024 and 2023, are presented as follows:

	Closing exchange rate		Average exchange rate	
	December 31, 2024	December 31, 2023	**2024**	2023
US Dollar	**523.54**	454.56	**469.11**	456.6
Euro	**546.47**	502.24	**507.51**	493.2
Russian Rouble	**4.99**	5.06	**5.07**	5.4

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Property, plant and equipment is initially stated at cost, and subsequently measured at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The initial cost of assets includes the acquisition cost, including the import duties and not recoverable taxes, cost of loans, in case of long-term construction of the project and also any direct costs connected with reduction of an asset in the working condition and delivery to the place of intended use.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

	Estimated useful life, in years
Machinery and equipment	2-4 years
Computers	3-5 years
Other	2-7 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leases

Determination of whether an agreement is a lease or contains lease elements is based on an analysis of the agreement's substance at the commencement date of the lease arrangement. An agreement is, or contains, a lease if the fulfillment of the agreement depends on the use of a specific asset (or assets), and the right to use the asset(s) under this agreement transfers from one party to another, even if the asset(s) are not explicitly specified in the agreement.

In respect of either short-term leases or leases for which the underlying asset is of low value, the Fund recognises the lease payments associated with those leases as an expense on a straight-line basis.

Fund as a lessor

Leases are classified at the commencement date as either finance leases or operating leases. A lease transferring substantially all the risks and rewards incidental to ownership to the Foundation is classified as a finance lease.

An operating lease is defined as a lease other than a finance lease. Payments under operating leases are recognized as operating expenses in the statement of comprehensive loss on a straight-line basis over the lease term.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

Finance leases

At the commencement date, the Foundation recognizes assets held under a finance lease in its statement of financial position and presents them as receivables at an amount equal to the net investment in the lease. The Foundation recognizes finance income over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Operating leases

The Foundation recognizes lease payments under operating leases as income on a straight-line basis.

Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each item to its present location and condition are accounted for on a weighted average method (WAM) basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated selling costs.

Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Fund bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Fund's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Fund estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Financial instruments – initial recognition and subsequent measurement

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

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

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

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets (continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Fund. The Fund measures financial assets at amortised cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

The Fund's financial assets at amortised cost includes trade receivables and cash.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Fund's statement of financial position) when:
- The rights to receive cash flows from the asset have expired; or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognizes an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets

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

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

For trade receivables the Fund applies a simplified approach in calculating ECLs. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Fund has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Fund's financial liabilities include trade payables and payables to related parties.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Trade payables and payables to related parties

After initial recognition, trade payables and payables to related parties are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial liabilities (continued)

Derecognition

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

Offsetting of financial instruments

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

Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

New standards, interpretations and amendments adopted by the Fund

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2024. The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have an impact on the financial statements of the Fund.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New standards, interpretations and amendments adopted by the Fund (continued)

IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach);
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

The amendments had no impact on the Fund's financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Fund's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments had no impact on the Fund's financial statements, but are expected to affect the accounting policy disclosures in the Fund's annual financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no impact on the Fund's financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgments

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

Revenue from contracts with customers

The Fund's main activities are acceptance, storage, processing, shipment of grain and grain products, as well as the production and sale of flour products. Revenue is recognized if the Fund estimates that it is likely to obtain economic benefits and, if the revenue can be reliably estimated, regardless of the time of payment. Revenue is measured at the fair value of the consideration received or receivable, subject to contractual terms of payment and net of taxes or duties.

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

Revenue from contracts with customers (continued)

Manufacture and sale of flour products

Revenue from manufacturing and sale of flour products is recognized at a certain point in time when control over the asset is transferred to the buyer, which usually occurs when the goods are transferred.

Services for the storage of grain products

Revenue from the grain storage services is recognized based on the stage of performance of work. The stage of execution of works is estimated as the calculation of the share of services rendered by the reporting date to the total volume of services to be provided for each contract. If the financial result of the contract cannot be reliably estimated, revenue is recognized only to the extent of the costs incurred, which can be recovered

The Fund concluded that it is the principal in all revenue-generating contracts it has entered into, since in all cases it is the main party that controls the goods until they are transferred to the buyer.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The assumptions and estimates of the Fund are based on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances beyond the Fund's control. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

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

Provision for expected credit losses of trade receivables

For trade receivables, the Fund applies a simplified approach in calculating ECLs. Therefore, the Fund does not track changes in credit risk, but instead, at each reporting date, recognizes a loss allowance based on lifetime expected credit losses at each reporting date. The Fund used a provision matrix to calculate ECLs, based on its experience of credit losses, adjusted for forward-looking factors specific to the debtors and the environment.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profits will be earned against which tax losses can be offset. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized in the financial statements based on the likely dates of receipt and the amount of future taxable profits, as well as the tax planning strategy.

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

Estimates and assumptions (continued)

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Useful life of property, plant and equipment

The Fund assesses the remaining useful life of property, plant and equipment at least at the end of each reporting year. If expectations differ from previous estimates, the changes are accounted for as changes in accounting estimates in accordance with *IAS 8 Accounting Policies, Changes in Estimates and Errors.* These estimates can have a significant impact on the carrying amount of property, plant and equipment and the amount of depreciation and amortization recognized in the statement of comprehensive income. The Fund did not revise the useful lives of property, plant and equipment and intangible assets in the reporting period.

5. PROPERTY, PLANT AND EQUIPMENT

As at December 31, 2024, property, plant and equipment were presented as follows:

In thousands of Tenge	Other	Production tools and household inventory	Computers	Machinery and equipment	Transmission devices	Total
Cost:						
January 1, 2023	–	–	2,117	–	286	2,403
Additions	–	150	–	160	162	472
December 31, 2023	–	**150**	**2,117**	**160**	**448**	**2,875**
Additions	135	–	1,020	394	190	1,739
Disposals	–	–	–	(300)	–	(300)
December 31, 2024	**135**	**150**	**3,137**	**254**	**638**	**4,314**
Accumulated depreciation:						
January 1, 2023	–	–	(30)	–	(8)	(38)
Depreciation charge	–	(21)	(705)	(40)	(126)	(892)
December 31, 2023	–	**(21)**	**(735)**	**(40)**	**(134)**	**(930)**
Depreciation charge	(8)	(50)	(808)	(55)	(191)	(1,112)
December 31, 2024	**(8)**	**(71)**	**(1,543)**	**(95)**	**(325)**	**(2,042)**
Net book value:						
December 31, 2023	–	129	1,382	120	314	1,945
December 31, 2024	**127**	**79**	**1,594**	**159**	**313**	**2,272**

6. INTANGIBLE ASSETS

In thousands of Tenge	Software	Total
Cost:		
January 1, 2023	65	65
December 31, 2023	65	65
December 31, 2024	**65**	**65**
Accumulated depreciation:		
January 1, 2023	(1)	(1)
Depreciation charge	(13)	(13)
December 31, 2023	(14)	(14)
Depreciation charge	(13)	(13)
December 31, 2024	**(27)**	**(27)**
Net book value:		
December 31, 2023	51	51
December 31, 2024	**38**	**38**

7. INVENTORIES

As at December 31, 2024 inventories were presented as follows:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Goods (Image products)	**8,514**	14,992

8. ADVANCES PAID

As at December 31, 2024, advances paid in the context of the parties connectivity are presented as follows:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Advance paid from third parties	**3,288**	23,393

As at December 31, 2024, advances paid were presented as follows:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Advance paid for services	**3,180**	23,346
Advance paid for goods	**108**	47
Less: provision for expected credit losses	–	–
	3,288	23,393

9. CASH AND CASH EQUIVALENTS

As at December 31, 2024 cash and cash equivalents are presented as follows:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Cash in savings accounts	**396,789**	215,503
Cash in current bank accounts	**1,706**	1,536
Other cash	**71**	157
Less: provision for expected credit losses	–	–
	398,566	217,196

9. CASH AND CASH EQUIVALENTS (CONTINUED)

As at December 31, 2024 cash and cash equivalents are denominated in the following currencies:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Kazakhstan Tenge	**396,876**	215,673
US Dollars	**1,690**	1,523
	398,566	217,196

As at December 31, 2024 cash and cash equivalents are denominated in the following banks:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Halyk Bank JSC	**398,564**	217,196
Freedom Bank Kazakhstan JSC	**2**	–
	398,566	217,196

10. OTHER CURRENT ASSETS

As at December 31, 2024 other current assets were presented as follows:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Expenses of future periods	**407**	282
Prepayment for payroll	**285**	–
Accounts receivable from accountable persons	**53**	279
Less: allowance for expected credit losses	**–**	–
	745	561

11. LIABILITIES UNDER DONOR AGREEMENTS

As of December 31, 2024, liabilities under donor agreements represent the unutilized portion of funds received from donors in the amount of 402,893 thousand tenge (as of December 31, 2023: 246,353 thousand tenge).

As of December 31, 2024, liabilities under donor agreements are presented as follows:

In thousands of Tenge	**2024**	2023
Balance at the beginning of the year	**246,353**	146,066
Funds received during the period related to operating expenses	**601,690**	454,444
Contributions related to operating expenses recognized in the statement of comprehensive income	**(445,150)**	(354,157)
Balance at the end of the year	**402,893**	246,353

12. REVENUE

For the year ended December 31, 2024, income was presented as follows:

In thousands of Tenge	**2024**	2023
Funding under donor agreements	**445,150**	354,157
Funding from other receipts	**2,120**	206
	447,270	354,363

For the year ended December 31, 2024, funding under donor agreements was presented as follows:

In thousands of Tenge	**2024**	2023
Corporate Foundation "Freedom Shapagat"	**440,706**	–
LLP "McKinsey & Company Kazakhstan"	**4,444**	–
Private company Turlov Private Holding Ltd	–	354,157
	445,150	354,157

Funding from other receipts consists of contributions from private donors, individuals without a formal agreement.

13. GENERAL AND ADMINISTRATIVE EXPENSES

For the year ended December 31, 2024 general and administrative expenses were presented as follows:

In thousands of Tenge	**2024**	2023
Personnel expenses	**(142,870)**	(109,566)
Marketing and advertising	**(57,459)**	(56,367)
Business travel expenses	**(22,074)**	(11,071)
Office rent	**(15,732)**	(18,261)
Accrued unused vacation expenses	**(11,252)**	(8,304)
Office supplies	**(3,644)**	(4,532)
Corporate event expenses	**(2,580)**	(1,115)
Depreciation and amortization	**(1,125)**	(905)
Other	**(4,393)**	(2,914)
	(261,129)	(213,035)

14. EDUCATIONAL PROGRAM EXPENSES

For the year ended December 31, 2024, educational program expenses were presented as follows:

In thousands of Tenge	**2024**	2023
Participant stipends	**(115,333)**	(63,000)
Program development and monitoring	**(95,793)**	(68,667)
Accommodation and meals for participants	**(19,399)**	(35,084)
	(230,525)	(166,751)

15. FINANCE INCOME

For the year ended December 31, 2024, funding income is presented as follows:

In thousands of Tenge	**2024 год**	2023 год
Income from remuneration	**44,393**	27,247

16. CONTINGENT LIABILITIES

Litigation

In the normal course of business, the Fund may be subject to lawsuits or proceedings. Management believes that there are currently no ongoing litigation or claims that could have a material impact on the Fund's results of operations or financial position.

Taxation

Kazakh tax legislation and regulatory acts are subject to frequent changes and varying interpretations. Disagreements between local, regional, and national tax authorities are not uncommon. The current system of penalties and interest for identified violations under the laws of Kazakhstan is rather severe. Penalties include fines—typically amounting to 50% of the additionally assessed taxes—and interest, calculated at the refinancing rate set by the National Bank of Kazakhstan, multiplied by 2.5.

As a result, the amount of penalties and interest can significantly exceed the amount of taxes assessed.

Taxation (continued)

Financial periods remain open for tax audits by the authorities for 3 (three) calendar years preceding the year in which the audit is conducted. Under certain circumstances, audits may cover longer periods. Due to the uncertainty inherent in the Kazakh tax system, the ultimate amount of taxes, penalties, and interest, if any, may differ from the amounts currently recognized as expenses and accrued as of December 31, 2024.

Management believes that as of December 31, 2024, its interpretation of the applicable legislation is appropriate and that it is probable that the Fund's tax position will be sustained.

17. FINANCIAL RISK MANAGEMENT POLICY

Categories of financial instruments

As at December 31, 2024 and 2023, the Fund's financial instruments were presented by the following assets and liabilities:

In thousands of Tenge	**December 31, 2024**	December 31, 2023
Financial assets and liabilities at amortised cost:		
Cash and cash equivalents	**398,566**	217,196
Trade payables	**(131)**	(258)
Financial liabilities, net	**398,435**	216,938

Risk management

The Fund is exposed credit risk and liquidity risk.

Credit Risk

Credit risk is the risk that the Fund will incur a financial loss if counterparties fail to meet their obligations under a financial instrument or client agreement. Financial instruments that may subject the Fund to credit risk consist of cash and cash equivalents.

17. FINANCIAL RISK MANAGEMENT POLICY (CONTINUED)

Cash and Cash Equivalents

Credit risk arising from cash balances held with banks is managed by the Fund's management in accordance with the Fund's policy. Excess funds are invested only in accounts with approved counterparties and within credit limits established for each counterparty. Credit limits for counterparties are reviewed annually by the Fund's management and may be adjusted during the year with the approval of the management. The limits are set to minimize risk concentration and thereby reduce potential financial losses resulting from counterparty default. The Fund's maximum exposure to credit risk related to items in the statement of financial position as at December 31, 2024, is represented by their carrying amounts.

The following table shows cash balances in current accounts with banks at the reporting date using Standard & Poor's and Fitch credit ratings:

In thousands of Tenge	Rating 2024	Outstanding balance as at December 31, 2024	Outstanding balance as at December 31, 2023
Halyk Bank JSC	BB+	398,564	217,196
Freedom Bank Kazakhstan JSC	B	2	–
		398,566	217,196

Fair value of financial instruments

The Fund uses the following hierarchy to determine fair value and disclose information about it in the context of valuation models:

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

The table below shows the hierarchy of the Fund's assets and liabilities at fair value:

	December 31, 2024			
	Carrying	Fair value measurement using		
In thousands of Tenge	value	Level 1	Level 2	Level 3
Assets and liabilities for which fair values are disclosed:				
Cash and cash equivalents	398,566	–	398,566	–
Trade payables	(131)	–	(131)	–
	398,435	–	398,435	–

	December 31, 2023			
	Carrying	Fair value measurement using		
In thousands of Tenge	value	Level 1	Level 2	Level 3
Assets and liabilities for which fair values are disclosed:				
Cash and cash equivalents	217,196	–	217,196	–
Trade payables	(258)	–	(258)	–
	216,938	–	216,938	–

18. SUBSEQUENT EVENTS

The Fund's management believes that there were no events occurring after the reporting date of December 31, 2024, and up to the date of approval of these financial statements, which would have a material impact on the Fund's financial statements or require disclosure in the presented financial statements.