

**NC QazaqGaz JSC**

**Interim condensed consolidated  
financial statements (unaudited)**

**For the three months and the six months  
ended 30 June 2024**

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Interim condensed consolidated financial statements (unaudited)

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## Report on Review of Interim Condensed Consolidated Financial Statements

To the Shareholder, Board of Directors and Management of JSC National Company QazaqGaz:

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of JSC National Company QazaqGaz and its subsidiaries (together – the “Group”) as at 30 June 2024 and the related interim condensed consolidated statements of comprehensive income for the three-month and six-month periods then ended, cash flows and changes in equity for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

PricewaterhouseCoopers LLP

8 August 2024  
Astana, Kazakhstan

**NC QazaqGaz JSC**  
**Interim condensed consolidated statement of financial position**

| <i>In thousands of tenge</i>                          | <b>Note</b> | <b>30 June 2024</b>  | <b>31 December 2023</b> |
|---|-------------|----------------------|-------------------------|
| <b>ASSETS</b>   |             |                      |                         |
| <b>Non-current assets</b>                             |             |                      |                         |
| Property, plant and equipment                         | 6           | 1,435,389,898        | 1,430,331,997           |
| Exploration and evaluation assets                     |             | 4,559,609            | 4,510,107               |
| Right-of-use assets                                   | 7           | 55,673,078           | 66,806,648              |
| Intangible assets                                     |             | 4,537,701            | 4,752,739               |
| Investments in joint ventures                         | 8           | 1,146,792,260        | 1,241,253,329           |
| Advances paid for non-current assets                  |             | 2,733,631            | 1,890,448               |
| VAT recoverable                                       | 10          | 78,862,300           | 60,877,222              |
| Deferred tax assets                                   |             | 3,519,822            | 6,450,522               |
| Other non-current assets                              |             | 112,438              | 114,565                 |
| Bank deposits   |             | 3,135,613            | 2,955,454               |
|   |             | <b>2,735,316,350</b> | <b>2,819,943,031</b>    |
| <b>Current assets</b>                                 |             |                      |                         |
| Inventories   | 12          | 53,339,472           | 63,191,048              |
| Trade and other receivables                           | 13          | 294,250,811          | 287,464,653             |
| Advances paid   |             | 1,556,223            | 1,659,507               |
| Loans to related party                                |             | -                    | 39,977,505              |
| Prepaid taxes other than income tax                   | 10          | 105,977,599          | 116,234,429             |
| Corporate income tax prepaid                          |             | 51,321,703           | 43,406,962              |
| Other current assets                                  |             | 1,214,360            | 634,182                 |
| Other current financial assets                        | 9           | 4,316,884            | 103,244,373             |
| Bank deposits   |             | 994,650              | 482,975                 |
| Cash and cash equivalents                             | 11          | 462,048,441          | 66,770,948              |
|   |             | <b>975,020,143</b>   | <b>723,066,582</b>      |
| Assets of disposal groups classified as held for sale | 5           | 134,423,094          | -                       |
|   |             | <b>1,109,443,237</b> | <b>723,066,582</b>      |
| <b>TOTAL ASSETS</b>                                   |             | <b>3,844,759,587</b> | <b>3,543,009,613</b>    |

The accompanying notes on pages 6 to 32 are an integral part of these interim condensed consolidated financial statements (unaudited).

**NC QazaqGaz JSC**  
**Interim condensed consolidated statement of financial position**

| <i>In thousands of tenge</i>  | <b>Note</b> | <b>30 June 2024</b>  | <b>31 December 2023</b> |
|---|-------------|----------------------|-------------------------|
| <b>EQUITY AND LIABILITIES</b>   |             |                      |                         |
| <b>EQUITY</b>   |             |                      |                         |
| Share capital   | 14          | 486,612,029          | 447,874,886             |
| Additional paid-in capital  |             | 25,946,130           | 25,946,130              |
| Foreign currency translation reserve  |             | 2,049,251            | 2,158,137               |
| Retained earnings   |             | 2,147,776,302        | 2,026,909,132           |
| <b>TOTAL EQUITY</b>   |             | <b>2,662,383,712</b> | <b>2,502,888,285</b>    |
| <b>Non-current liabilities</b>  |             |                      |                         |
| Debt securities issued  | 15          | 337,473,608          | 325,433,246             |
| Bank loans  | 16          | 22,892,694           | 29,965,552              |
| Lease liabilities   | 19          | 54,968,741           | 54,969,380              |
| Employee benefit obligations  |             | 479,948              | 447,939                 |
| Provisions  | 18          | 74,573,767           | 78,093,857              |
| Other non-current financial liabilities   | 22          | 2,927,598            | 4,192,701               |
| Liabilities from contracts with customers   | 20          | 10,557,474           | 10,820,812              |
| Deferred tax liabilities  |             | 65,818,659           | 62,741,275              |
|   |             | <b>569,692,489</b>   | <b>566,664,762</b>      |
| <b>Current liabilities</b>  |             |                      |                         |
| Debt securities issued  | 15          | 3,938,300            | 3,800,488               |
| Bank loans  | 16          | 17,027,398           | 17,947,310              |
| Borrowings  | 17          | –                    | 7,968,020               |
| Provisions  | 18          | 35,003,715           | 34,665,401              |
| Trade and other payables  | 21          | 439,491,731          | 353,711,924             |
| Taxes payable other than income tax   |             | 3,908,569            | 4,365,154               |
| Lease liabilities   | 19          | 25,649,154           | 21,717,317              |
| Contract liabilities  | 20          | 5,589,827            | 4,941,775               |
| Other current financial liabilities   | 22          | 16,522,117           | 21,852,939              |
| Other current liabilities   |             | 2,243,089            | 2,486,238               |
|   |             | <b>549,373,900</b>   | <b>473,456,566</b>      |
| Liabilities associated with assets of disposal groups classified as held for sale | 5           | 63,309,486           | –                       |
|   |             | <b>612,683,386</b>   | <b>473,456,566</b>      |
| <b>TOTAL LIABILITIES</b>  |             | <b>1,182,375,875</b> | <b>1,040,121,328</b>    |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |             | <b>3,844,759,587</b> | <b>3,543,009,613</b>    |

Deputy Chairman of the Management Board on economics and finance

Akan A.M.

Acting Chief accountant

Bokayev Ye.N.



The accompanying notes on pages 6 to 32 are an integral part of these interim condensed consolidated financial statements (unaudited).

**NC QazaqGaz JSC**  
**Interim condensed consolidated statement of comprehensive income**

| In thousands of tenge   | Note | For the three months ended<br>30 June (unaudited) |                    | For the six months ended<br>30 June (unaudited) |                    |
|---|------|---|--------------------|---|--------------------|
|   |      | 2024  | 2023               | 2024  | 2023               |
| Revenue from contracts with customers   | 23   | 302,482,808                                       | 266,064,554        | 593,558,166                                     | 475,603,643        |
| Cost of sales   | 24   | (287,752,315)                                     | (221,130,473)      | (604,136,124)                                   | (445,870,302)      |
| <b>Gross profit/(loss)</b>  |      | <b>14,730,493</b>                                 | <b>44,934,081</b>  | <b>(10,577,958)</b>                             | <b>29,733,341</b>  |
| Management fee  |      | 18,707,267  | –                  | 18,707,267                                      | –                  |
| General and administrative expenses   | 25   | (11,441,609)                                      | (8,641,403)        | (18,137,608)                                    | (13,833,413)       |
| Allowance for expected credit losses  |      | (4,037,794)                                       | (627,759)          | (5,176,430)                                     | (2,535,156)        |
| Other operating income  |      | 286,804   | 979,928            | 817,922   | 1,680,619          |
| Other operating expenses  |      | (163,366)   | (230,816)          | (216,402)                                       | (325,420)          |
| <b>Operating profit/(loss)</b>  |      | <b>18,081,795</b>                                 | <b>36,414,031</b>  | <b>(14,583,209)</b>                             | <b>14,719,971</b>  |
| Interest income calculated using the effective interest method  | 26   | 9,673,653   | 7,951,195          | 18,770,805                                      | 16,410,133         |
| Finance income  |      | 7,198   | 1,234              | 7,198   | 3,103              |
| Finance costs   | 27   | (10,092,973)                                      | (13,808,565)       | (20,572,016)                                    | (29,239,344)       |
| Share in income of joint ventures   | 8    | 99,703,160  | 85,911,353         | 178,568,016                                     | 156,732,416        |
| Foreign exchange (loss)/gain, net   |      | (14,746,152)                                      | 10,854,600         | (11,737,606)                                    | 15,469,475         |
| <b>Profit before income tax</b>   |      | <b>102,626,681</b>                                | <b>127,323,848</b> | <b>150,453,188</b>                              | <b>174,095,754</b> |
| Income tax (expenses)/benefit   | 28   | (1,792,065)                                       | 380,600            | (9,076,141)                                     | (8,524,287)        |
| <b>Profit for the period from continuing operations</b>   |      | <b>100,834,616</b>                                | <b>127,704,448</b> | <b>141,377,047</b>                              | <b>165,571,467</b> |
| <b>Discontinued operations</b>  |      |   |                    |   |                    |
| Loss after tax from discontinued operations   |      | (1,764,514)                                       | –                  | (1,506,517)                                     | –                  |
| <b>Net profit for the period</b>  |      | <b>99,070,102</b>                                 | <b>127,704,448</b> | <b>139,870,530</b>                              | <b>165,571,467</b> |
| <b>Other comprehensive (loss)/income</b>  |      |   |                    |   |                    |
| <i>Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods</i> |      |   |                    |   |                    |
| Exchange differences on translation of foreign operations   |      | 311,436   | (247,099)          | (108,886)                                       | (360,242)          |
| <i>Other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods</i>   |      |   |                    |   |                    |
| Actuarial income on defined benefit plant   |      | –   | –                  | –   | –                  |
| Impact of income tax expenses   |      | –   | –                  | –   | –                  |
| Other comprehensive (loss)/income for the period, net of income tax                                       |      | 311,436   | (247,099)          | (108,886)                                       | (360,242)          |
| <b>Total comprehensive income for the period, net of income tax</b>                                       |      | <b>99,381,538</b>                                 | <b>127,457,349</b> | <b>139,761,644</b>                              | <b>165,211,225</b> |
| <b>Earnings per share</b>   |      |   |                    |   |                    |
| Basic and diluted   | 14   | 0.26  | 0.34               | 0.37  | 0.44               |
| Basic and diluted, from continuing operations   |      | 0.27  | 0.34               | 0.38  | 0.44               |
| Basic and diluted, from discontinued operations   |      | (0.01)  | –                  | (0.01)  | –                  |

Deputy Chairman of the Management Board on economics and finance

Akan A.M.

Acting Chief accountant

Bokayev Ye.N.



The accompanying notes on pages 6 to 32 are an integral part of these interim condensed consolidated financial statements (unaudited).

**NC QazaqGaz JSC**  
**Interim condensed consolidated statement of cash flows**

| <i>In thousands of tenge</i>  | Note | For the six months ended<br>30 June (unaudited) |                      |
|---|------|---|----------------------|
|   |      | 2024  | 2023                 |
| <b>Cash flows from operating activities</b>   |      |   |                      |
| Receipts from customers   |      | 604,340,328                                     | 413,328,219          |
| Receipts from management fee  |      | 21,505,256                                      | -                    |
| Interest received   |      | 15,690,928                                      | 12,828,385           |
| Taxes refund from Tax authorities   |      | 12,473,180                                      | 4,332                |
| Other receipts  |      | 23,655,083                                      | 2,283,693            |
| Payments to suppliers   |      | (475,356,895)                                   | (293,001,606)        |
| Income tax paid   |      | (10,945,784)                                    | (14,366,699)         |
| Other taxes and payments to the budget  |      | (36,791,443)                                    | (25,562,186)         |
| Interest paid   |      | (10,769,418)                                    | (16,825,128)         |
| Payments to employees   |      | (40,404,857)                                    | (34,796,053)         |
| Other payments  |      | (9,777,347)                                     | (4,684,469)          |
| <b>Net cash flows received from operating activities</b>  |      | <b>93,619,031</b>                               | <b>39,208,488</b>    |
| <b>Cash flows from investing activities</b>   |      |   |                      |
| Withdrawal of bank deposits   |      | 42,714,595                                      | 25,899,285           |
| Proceeds from sale of property, plant and equipment and intangible assets                             |      | -   | 3,731,208            |
| Proceeds from redemption of notes of the National Bank of Kazakhstan                                  | 9    | 49,919,356                                      | 60,000,000           |
| Dividends received from joint ventures  | 8    | 272,830,863                                     | 90,851               |
| Cash of the acquired company  |      | 1,195,791                                       | -                    |
| Redemption of debt securities   |      | 61,850,600                                      | -                    |
| Acquisition of financial assets   |      | (673,261)                                       | (63,260,261)         |
| Placement of bank deposits  |      | (43,238,355)                                    | (19,888,951)         |
| Acquisition of property, plant and equipment, intangible assets and exploration and evaluation assets |      | (77,937,711)                                    | (104,903,529)        |
| Purchase of notes of the National Bank of Kazakhstan  | 9    | (15,093,674)                                    | (80,064,757)         |
| Loans to related parties  |      | (6,500,394)                                     | (31,033,328)         |
| <b>Net cash flows from/(used in) investing activities</b>   |      | <b>285,067,810</b>                              | <b>(209,429,482)</b> |
| <b>Cash flows from financing activities</b>   |      |   |                      |
| Receipts of bank loans  |      | 50,830,565                                      | -                    |
| Repayment of loans received   |      | (8,222,333)                                     | -                    |
| Repayment of bank loans and issued debt securities  |      | (8,223,594)                                     | (9,369,770)          |
| Dividends paid to the Sole Shareholder  | 14   | (22,809,827)                                    | (27,065,364)         |
| Repayment of lease liabilities  |      | (1,521,418)                                     | (1,430,212)          |
| <b>Net cash flows from/(used in) financing activities</b>   |      | <b>10,053,393</b>                               | <b>(37,865,346)</b>  |
| <b>Net change in cash and cash equivalents</b>  |      |   |                      |
| Net foreign exchange difference on cash and cash equivalents  |      | 7,228,386                                       | (9,535,607)          |
| Change in cash reserves   |      | 13,455  | -                    |
| Cash and cash equivalents, at the beginning of the period   | 11   | 66,770,948                                      | 577,128,222          |
| <b>Cash and cash equivalents, at the end of the period</b>  |      | <b>462,753,023</b>                              | <b>359,506,275</b>   |

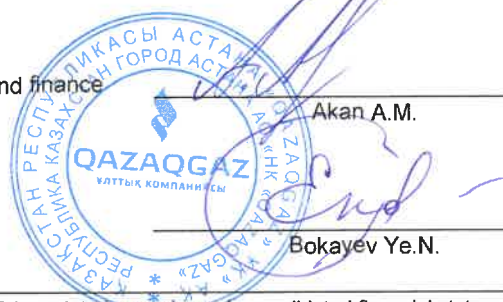
\* The amount of cash and cash equivalents at the end of the period ended 30 June 2024 does not correspond to the amount of cash and cash equivalents presented in the consolidated statement of financial position for the six months ended 30 June 2024, as it includes the amount of cash and cash equivalents of disposal groups classified as held for sale information about which is disclosed in Note 5,

Deputy Chairman of the Management Board on economics and finance

Akan A.M.

Acting Chief accountant

Bokayev Ye.N.



The accompanying notes on pages 6 to 32 are an integral part of these interim condensed consolidated financial statements (unaudited).

**NC QazaqGaz JSC**  
**Interim condensed consolidated statement of changes in equity**

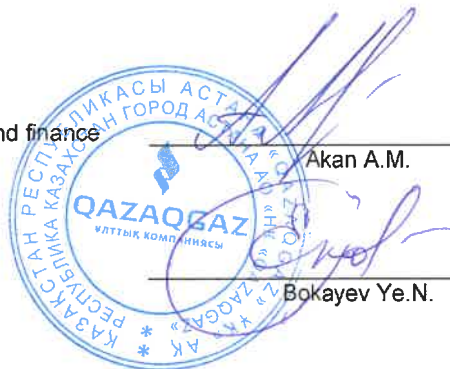
| <i>In thousands of tenge</i>                             | Note | Share capital      | Additional paid-in capital | Foreign currency translation reserve | Retained earnings    | Total                |
|--|------|--------------------|----------------------------|--------------------------------------|----------------------|----------------------|
| As at 1 January 2023                                     |      | 430,959,489        | 25,946,130                 | 2,562,805                            | 1,728,093,477        | 2,187,561,901        |
| Net profit for the period                                |      | -                  | -                          | -                                    | 165,571,467          | 165,571,467          |
| Other comprehensive loss for the period                  |      | -                  | -                          | (360,242)                            | -                    | (360,242)            |
| <b>Total comprehensive (loss)/ income for the period</b> |      | -                  | -                          | <b>(360,242)</b>                     | <b>165,571,467</b>   | <b>165,211,225</b>   |
| Issue of shares  |      | 16,915,397         | -                          | -                                    | -                    | 16,915,397           |
| Dividends  | 14   | -                  | -                          | -                                    | (27,065,364)         | (27,065,364)         |
| <b>As at 30 June 2023</b>                                |      | <b>447,874,886</b> | <b>25,946,130</b>          | <b>2,202,563</b>                     | <b>1,866,599,580</b> | <b>2,342,623,159</b> |
| As at 1 January 2024                                     |      | 447,874,886        | 25,946,130                 | 2,158,137                            | 2,026,909,132        | 2,502,888,285        |
| Net profit for the period                                |      | -                  | -                          | -                                    | 139,870,530          | 139,870,530          |
| Other comprehensive loss for the period                  |      | -                  | -                          | (108,886)                            | -                    | (108,886)            |
| <b>Total comprehensive (loss)/ income for the period</b> |      | -                  | -                          | <b>(108,886)</b>                     | <b>139,870,530</b>   | <b>139,761,644</b>   |
| Issue of shares  | 5    | 38,737,143         | -                          | -                                    | 3,806,467            | 42,543,610           |
| Dividends  | 14   | -                  | -                          | -                                    | (22,809,827)         | (22,809,827)         |
| <b>As at 30 June 2024</b>                                |      | <b>486,612,029</b> | <b>25,946,130</b>          | <b>2,049,251</b>                     | <b>2,147,776,302</b> | <b>2,662,383,712</b> |

Deputy Chairman of the Management Board on economics and finance

Akan A.M.

Acting Chief accountant

Bokayev Ye.N.





## **1 Corporate Information**

The accompanying interim condensed consolidated financial statements include the financial statements of NC "QazaqGaz" JSC (hereinafter the "Company" or "QG") and its subsidiaries (hereinafter collectively referred to as the "Group").

QG is a joint stock company established in accordance with the Resolution of the Government of the Republic of Kazakhstan (hereinafter the "Government") No. 173 dated 5 February 2000 and registered as a closed joint stock company on 13 March 2000, On 9 June 2004, the Company was re-registered as a joint stock company under the laws of the Republic of Kazakhstan. The Group's head office is registered in the Republic of Kazakhstan, Astana, Yesil district, Alikhan Bokeykhan avenue, 12,

As at 30 June 2024, National Wealth Fund Samruk-Kazyna JSC (hereinafter "Samruk-Kazyna" or the "Sole Shareholder") is the sole shareholder of QG, and all subsidiaries of Samruk-Kazyna are considered as related parties of the Company and the Group.

In accordance with the Resolution of the Government of the RK No. 914 dated 5 July 2012, NC KazTransGas JSC was determined a national operator in the area of gas and gas supply. According to the Decree of the Government of the Republic of Kazakhstan dated 30 November 2021 No. 852, KazTransGas was given the status of a National Company. According to the Decree of the Government of the Republic of Kazakhstan No. 982 dated 31 December 2021, NC KazTransGas JSC was renamed into NC QazaqGaz JSC. The Company's main objective as a national operator is to reliably satisfy Kazakhstan's domestic commercial gas needs.

The main activities of the Group also include the following:

- Managing investment activities for the overall development of the main gas pipeline systems within Kazakhstan;
- Managing investment activities for gas fields development within Kazakhstan;
- Providing consulting services related to research and development of gas industry projects;
- Sale of gas on foreign and domestic markets;
- Participating in elaboration and implementation of state programs for the gas industry development.

The Group's operating activities are regulated by the Law of the Republic of Kazakhstan on Natural Monopolies (hereinafter the "Law"), as the Group is a natural monopolist in transportation and supply of gas on domestic market. According to the Law, the Group's tariffs for gas transportation and sales on domestic market are approved by the Committee of the Republic of Kazakhstan for the Regulation of Natural Monopolies of the Ministry of National Economy of the Republic of Kazakhstan.

The accompanying interim condensed consolidated financial statements were authorized for release by the Deputy Chairman of Management Board on economics and finance and Acting Chief accountant of the Company on 8 August 2024,

### **Exploration and production of hydrocarbons**

In December 2000, the Group signed a contract with the Investment agency of the Republic of Kazakhstan for the exploration and production of hydrocarbons on North-Ucharal, Ucharal-Kempirtobe territories and blocks XXXIII-48, XXXIII-49, XXXIV-49, XXXIV-50, XXXIV-51, XXXV-50, including Amangeldy, Anabai, Airakty and Kumyrlы gas fields in Zhambyl oblast, South Kazakhstan (the "Hydrocarbon Agreement"). The Group also operates in accordance with the Contract for the exploration and development of hydrocarbons dated 30 July 2018 for gas production at the Pridorozhnoye field within blocks XXXI-44-D (partially), E (partially) in the Sozak region of the Republic of Kazakhstan. The Group started production and sale of gas at Amangeldy gas field in November 2003, at the Zharkum field in December 2014 and at the Anabai field in November 2023.

Under the terms of the Hydrocarbon Agreement, the Group has the right to relinquish any of the block areas unless commercially viable hydrocarbon reserves are discovered.

**NC QazaqGaz JSC**  
**Notes to the Interim condensed consolidated financial statements (unaudited)**  
**for the three months and the six months ended 30 June 2024**

## 2 Basis of Preparation

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2024 have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required for the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023,

### Subsidiaries

As at 30 June 2024 and 31 December 2023, the Company had interest in equity of the following entities, which are included into the interim condensed consolidated financial statements:

| Name  | Place of incorporation | Principal activities  | Ownership interest |                  |
|---|------------------------|---|--------------------|------------------|
|   |                        |   | 30 June 2024       | 31 December 2023 |
| Intergas Central Asia JSC (ICA)                             | Kazakhstan             | Transportation and storage of gas and rendering technical services for gas pipelines in Kazakhstan                        | 100%               | 100%             |
| QazaqGaz Aimaq JSC (QazaqGaz Aimaq)                         | Kazakhstan             | Sale of gas to local power distributors, legal entities and individuals   | 100%               | 100%             |
| QazaqGaz Onimderi LLP (QazaqGaz Onimderi)                   | Kazakhstan             | Transportation services   | 100%               | 100%             |
| Exploration and Production QazaqGaz (EP QazaqGaz)           | Kazakhstan             | Production of natural gas and gas condensate  | 100%               | 100%             |
| QazaqGaz Scientific and Technical Center LLP (QazaqGaz STC) | Kazakhstan             | Engineering design, research activities   | 100%               | 100%             |
| KazTransGas Bishkek LLC                                     | Kyrgyzstan             | Repair and renewal operations and modernization of the main gas pipeline "Bukhara gas area - Tashkent - Bishkek - Almaty" | 100%               | 100%             |
| KTG Finance B.V.  | Netherlands            | Financial activities  | 100%               | 100%             |
| KazMunayGas Service-NS JSC                                  | Kazakhstan             | Construction and operation of Golf Club   | 100%               | 100%             |
| Tegis Munay LLP (Tegis Munay)                               | Kazakhstan             | Production of natural gas   | 100%               | 100%             |
| Mangyshlak Munay LLP (Mangyshlak Munay)                     | Kazakhstan             | Geological exploration and surveys  | 100%               | 100%             |
| GPC Investment LLP  | Kazakhstan             | Construction of a gas processing plant  | 100%               | -                |

In 2024, KazTransGaz Aimaq JSC rebranded and was renamed QazaqGaz Aimaq JSC.

### Investments in joint ventures

As at 30 June 2024 and 31 December 2023, the Group had interests in the following joint ventures which are accounted for in the consolidated financial statements using the equity method:

| Name   | Place of incorporation | Principal activities   | Share, %     |                  |
|--|------------------------|--|--------------|------------------|
|  |                        |  | 30 June 2024 | 31 December 2023 |
| Asian Gas Pipeline LLP (AGP)                 | Kazakhstan             | Construction and operating of Kazakhstan - China gas pipeline                            | 50%          | 50%              |
| Beineu-Shymkent Pipeline LLP (BShP)          | Kazakhstan             | Construction and operating of Beineu-Bozoy-Shymkent gas pipeline                         | 50%          | 50%              |
| AvtoGaz LLP (AG)                             | Kazakhstan             | Organization, operation, construction and maintenance of gas filling compressor stations | 50%          | 50%              |
| Otan Gas LLP (OG)                            | Kazakhstan             | Construction of gas processing plant   | 50%          | 50%              |
| Private company Beineu-Bozoi-Shymkent 2 Ltd. | Kazakhstan             | Construction and operation of the second line of the Beineu-Bozoi-Shymkent gas pipeline  | 50%          | -                |

On 28 June, 2024, the state registration of the Private Company Beineu-Bozoi-Shymkent 2 Ltd. with 50% participation of JSC NC QazaqGaz was carried out at the site of the Astana International Financial Center.

## **2 Basis of Preparation (Continued)**

### **Management fee**

In 2015, JSC KazTransGas (JSC NC QazaqGaz) and JSC NC KazMunayGas entered into an agreement for the trust management of 50% of the shares of JSC NC KazMunayGas in KazRosGas LLP for the purpose of carrying out activities in the field of marketing, transportation and supply of gas in the territory of the Republic of Kazakhstan and prompt resolution of gas supply issues. The Group recognizes the management fee in the amount due to JSC NC KazMunayGas for its share of participation as net income from operations (dividends) of KazRosGas LLP based on the results of the financial year.

### **The conflict on the territory of Ukraine and the impact of anti-Russian sanctions**

The conflict in Ukraine, which began in 2022, has led to a number of IFRS accounting peculiarities affecting financial reporting. Many countries have already imposed and continue to impose new sanctions on certain Russian legal entities and Russian citizens, including a ban on Russian banks to use the Swift system. The current situation itself, as well as potential fluctuations in commodity prices, exchange rates, import and export restrictions, availability of local materials and services and access to local resources have directly affected companies with significant activities in the CIS territories.

Russia is the Kazakhstan's largest trade partner. Russia is also the key country of trade transit, notably via the Caspian Pipeline Consortium (CPC), which carries up to 80% of oil exports. The Kazakhstani authorities are currently considering alternative oil export routes, including through the Baku–Tbilisi–Ceyhan (BTC) pipeline, but implementation of these initiatives would require significant investments in infrastructure.

The ongoing conflict may lead to the risk of a shortage of commercial gas in the event of a cessation of purchases from Russian suppliers, especially during the heating season, the risk of counter-sanctions from the Russian Federation and/or individual Russian companies, expressed in refusal to supply Russian gas, processing Kazakh gas, restrictions on oil transportation through the CPC system (reduction of associated gas production). Additional indirect consequences may include potential fluctuations in commodity prices, exchange rates, import and export restrictions, availability of local materials and services, and access to local resources.

As part of its activities, the Group purchases and transits Russian gas. In 2022, the transportation of Central Asian gas to Russia from Uzbekistan ceased, which led to the Group's revenue decline in 2023. However, in 2023 the Group entered into agreements for the transit of Russian gas to Uzbekistan, as well as for the purchase of Russian gas to cover internal gas shortages in the country. Continuing transactions with Russia may result in the risk of secondary sanctions being imposed on the Group's activities. According to the sanctions list published by the USA, some Russian companies are included in the "Non-SDN" (non-blocking sanctions) list, which prohibits financing transactions and other transactions involving new debt with a maturity of more than 14 days or new equity capital. The Group's management is assessing the potential impact of anti-Russian sanctions on the Group's operations and will take all possible steps to reduce the risks.

The current conflict and economic sanctions have not yet had a significant impact on the Group, but significant uncertainty regarding the outcome of the conflict and future economic sanctions remains. The Group takes into account the impact of anti-Russian sanctions in its activities and monitors them on an ongoing basis to minimise negative effects. Based on the initial risk assessment and subsequent updates to sanctions programs and lists, the Group has developed an action plan to minimise possible negative consequences. This action plan is updated as new risks are identified or programs and sanction lists are updated. The Group is taking measures and continuing to search for alternative routes for gas transit in order to minimise risks and "soften" the impact of possible negative factors on the Group's operations.

The favorable geographical location combined with developed infrastructure and the lack of competition, as well as the lack of alternative gas routes of comparable size ensure transportation volumes for the Group's pipeline system in the foreseeable future. The Group also benefits from growing gas demand from major end markets (China, Russia, and the countries of Central Asia).

In 2023, QazaqGaz engaged an independent consultant to assess the risks associated with sanctions of the European Union, Great Britain and the United States that may be relevant to the activities of QazaqGaz. Based on the preliminary findings of the external independent consultant, the Group's Management concluded that the risk of sanctions imposed by the United States, Great Britain and the European Union is minimal for the Group. The Group's management is in the process of implementing the consultant's recommendations.

## **2 Basis of Preparation (Continued)**

On 8 February 2024, Fitch Ratings agency downgraded the Group's long-term default ratings from 'BBB-' to 'BB+' with a 'stable' outlook. The revision was due to (i) the cessation of gas transit from Central Asia to Russia, (ii) still unprofitable domestic gas tariffs and (iii) rising domestic consumption of natural gas in Kazakhstan. On 14 February 2024, Moody's international rating agency affirmed the rating of JSC NC QazaqGaz and its subsidiaries at Baa2 with a stable outlook. In July 2024, S&P Global affirmed the long-term rating of JSC NC QazaqGaz at 'BB+'.

The Group's management believes that the decrease in transit volumes will be compensated by the recently launched return transit of Russian gas to Uzbekistan. Also, by order of the Minister of Energy dated 31 May, 2024, new maximum wholesale prices for commercial gas were approved with an increase of up to 20%.

The economic environment has a significant impact on the Group's operations and financial position. Management takes appropriate measures to ensure the sustainable operation of the Group. However, the future consequences of the current economic environment are difficult to predict, and management's current expectations and estimates may differ from actual results. Besides, the oil and gas sector in the Republic of Kazakhstan are still impacted by political, legislative, fiscal and regulatory changes. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal, controlling and political development and improvement, which are beyond the Group's control.

Management is unable to predict the extent or duration of changes in the Kazakhstani economy or evaluate their possible impact on the financial position of the Group in the future. Management believes that it, as part of its normal business on a regular basis, uses all available mechanisms to prevent cooperation with companies on the sanction lists of the European Union, the Office of Foreign Assets Control (OFAC) and any other applicable sanctions, and takes all necessary measures to maintain the sustainability and growth of the Group's activities in the current circumstances.

### **Foreign exchange rates**

Weighted average currency exchange rates established by the Kazakhstan Stock Exchange ("KASE") are used as official currency exchange rates in the Republic of Kazakhstan. As at 30 June 2024, the currency exchange rate of KASE was 471.46 tenge to 1 US dollar and 5.53 tenge to 1 Russian ruble. These rates were used for translation of monetary assets and liabilities denominated in US dollar and Russian ruble at 30 June 2024 (31 December 2023: 454.56 tenge to 1 US dollar and 5.06 tenge to 1 Russian ruble).

## **3 Changes in Accounting Policy of the Group**

### **New standards, interpretations and amendments adopted by the Group**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group 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 interim condensed consolidated financial statements of the Group.

A list of new standards, as well as amendments and interpretations, is provided below:

- Amendments to IFRS 16 Leases: Lease Liabilities in Sale and Leasebacks (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024).
- Classification of liabilities as current or non-current – Amendments to IAS 1 (originally issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, ultimately effective for annual periods beginning on 1 January 2024 or after this date).
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Financing Arrangements (issued 25 May 2023).

### **New and revised IFRSs issued but not yet effective**

A number of new standards and interpretations have been published that are mandatory for annual periods beginning on or after 1 January 2025 that the Group has not early adopted.

- Amendments to IAS 21 Lack of Interchangeability (issued on 15 August 2023).

#### **4 Critical Accounting Estimates and Judgments in Applying Accounting Policies**

Management's significant judgments regarding the accounting policies applied and the principal sources of estimation uncertainty used in preparing this interim condensed information are consistent with those in the Group's 2023 IFRS annual financial statements.

##### **Income tax**

Income tax expense is accrued based on the expected weighted average annual effective tax rate applied to the actual profit before tax for the interim period, adjusted for the tax effect of individual items that were recognized in the interim period.

The expected average annual tax rate used for the period ended 30 June 2024 was 6% (for the period ended 30 June, 2023: 5%).

##### **Accounts payable under gas purchase agreements**

As at 30 June 2024, the Group has trade payables for the purchase of gas totaling Tenge 188,479,440 thousand without price agreement (as at 31 December 2023: Tenge 109,818,524 thousand). Due to the fact that the previous contracts were terminated and the procedure for agreeing prices and concluding new contracts has not yet been completed, the Group recognised accounts payable on an accrual basis, based on the best estimate of the Group's management.

When estimating accounts payable, management took into account gas purchase prices based on the previous contracts, the geographic distribution of purchased gas and analysis of the cost of supplies by regions, correspondence with the supplier, the status of negotiations with the supplier at the level of the Ministry of Energy of the Republic of Kazakhstan and Samruk-Kazyna JSC, as well as the mechanism for determining the gas purchase price provided for in the Memorandum of Understanding between the Government of the Republic of Kazakhstan and pricing experience with other suppliers.

As of 30 June, 2024, management is still negotiating the price and plans to complete the signing of the agreement in the second half of 2024.

#### **5 Acquisitions under Common Control**

##### **GPC Investment LLP**

On 14 February, 2024, 1,000 (one thousand) common shares of NC QazaqGaz JSC with a par value of Tenge 38,737,143 each were issued under the right of preemption for the transfer of 100% stake in GPC Investment LLP (hereinafter referred to as GPCI) in accordance with the transfer agreement between Samruk - Kazyna JSC and NC QazaqGaz JSC for the total of Tenge 38,737,143 thousand. On 16 February 2024, the state re-registration of a 100% stake in GPC Investment LLP to NC QazaqGaz JSC was completed.

On 14 February, 2024, as part of the state visit of the President of the Republic of Kazakhstan to the State of Qatar, Agreements on the main terms of cooperation were signed, which includes a number of measures and initiatives aimed at the joint implementation of different investment projects. On 20 March, 2024, an Agreement was signed to establish a long-term strategic partnership for the implementation of joint projects between the Governments of the Republic of Kazakhstan and the State of Qatar. As part of the agreement on strategic investment projects, it is planned to sell the stake in the project company GPCI with retention of QG's share of 25%, and therefore, in these consolidated interim financial statements, GPCI is reflected as a disposal group in accordance with IFRS 5, QG plans to complete the sale of its 75% stake in GPCI by the end of 2024.

The acquisition of GPCI was accounted for as the acquisition of a subsidiary from parties under common control. The acquisition was accounted for using the carrying amount method of assets and liabilities according to the financial statements of GPCI, due to the absence of consolidated financial statements of the predecessor entity. Due to the acquisition of GPCI as a subsidiary for subsequent resale, the consolidated statement of financial position of QG as at 31 December 2023 and the related notes to the consolidated financial statements for the year ended 31 December 2023 have not been restated. Management believes that this presentation of the financial information most fairly represents the economic substance of the transaction. The difference between the consideration transferred and the net assets of GPCI was recognized in equity.

**5 Acquisitions under Common Control (continued)**

The following is the value of the total consideration transferred and information about the carrying amounts of GPCI's assets and liabilities at the date of acquisition:

| <i>In thousands of tenge</i>  | <b>16 February 2024</b> |
|---|-------------------------|
| GPCI net assets including:  | 40,385,200              |
| Obligations under pre-existing relationships  | 51,092,879              |
| Nominal value of shares issued  | (38,737,143)            |
| Assets under pre-existing relationships (interest-free loan issued to GPCI)*                                    | (48,934,469)            |
| <b>Purchase consideration</b>   | <b>(87,671,612)</b>     |
| <b>Difference between the purchase consideration and the carrying amount of net assets recognized in equity</b> | <b>3,806,467</b>        |

\* includes expected credit losses

**NC QazaqGaz JSC**  
**Notes to the Interim condensed consolidated financial statements (unaudited) as at and for the six months ended 30 June 2023**

**6 Property, Plant and Equipment**

Property, plant and equipment and related accumulated depreciation and impairment are as follows:

| <i>In thousands of tenge</i>                   | Note | Land           | Gas assets          | Buildings and constructions | Gas transportation system | Equipment            | Vehicles            | Other              | Construction in progress | Total                |
|--|------|----------------|---------------------|-----------------------------|---------------------------|----------------------|---------------------|--------------------|--------------------------|----------------------|
| <b>Cost</b>                                    |      |                |                     |                             |                           |                      |                     |                    |                          |                      |
| At 31 December 2023                            |      | 567,982        | 76,813,112          | 152,599,727                 | 996,903,724               | 466,290,685          | 30,159,613          | 13,262,472         | 87,801,433               | 1,824,398,748        |
| Additions                                      |      | 326            | 225,748             | 12,446                      | 45,127                    | 530,274              | 515,186             | 404,367            | 35,111,522               | 36,844,996           |
| Change in estimate                             | 18   | -              | 38,235              | (435,670)                   | (6,003,543)               | (686,904)            | -                   | -                  | -                        | (7,087,882)          |
| Transfers                                      |      | -              | -                   | 2,455,592                   | 30,018,325                | 46,316,702           | -                   | 74,017             | (78,864,636)             | -                    |
| Disposals                                      |      | (1,034)        | (75,648)            | -                           | (25,929)                  | (16,735)             | (10)                | (163,085)          | (6,539)                  | (288,980)            |
| <b>At 30 June 2024</b>                         |      | <b>567,274</b> | <b>77,001,447</b>   | <b>154,632,095</b>          | <b>1,020,937,704</b>      | <b>512,434,022</b>   | <b>30,674,789</b>   | <b>13,577,771</b>  | <b>44,041,780</b>        | <b>1,853,866,882</b> |
| <b>Accumulated depreciation and impairment</b> |      |                |                     |                             |                           |                      |                     |                    |                          |                      |
| At 31 December 2023                            |      | -              | (18,311,180)        | (29,859,557)                | (180,196,169)             | (131,017,280)        | (21,996,946)        | (6,982,545)        | (5,703,074)              | (394,066,751)        |
| Charge for the period                          |      | -              | (1,014,871)         | (2,110,003)                 | (11,000,117)              | (9,185,994)          | (710,302)           | (506,370)          | -                        | (24,527,657)         |
| Disposals                                      |      | -              | 33,543              | -                           | 18,760                    | 15,981               | 8                   | 49,132             | -                        | 117,424              |
| <b>At 30 June 2024</b>                         |      | <b>-</b>       | <b>(19,292,508)</b> | <b>(31,969,560)</b>         | <b>(191,177,526)</b>      | <b>(140,187,293)</b> | <b>(22,707,240)</b> | <b>(7,439,783)</b> | <b>(5,703,074)</b>       | <b>(418,476,984)</b> |
| <b>Net book value</b>                          |      |                |                     |                             |                           |                      |                     |                    |                          |                      |
| At 31 December 2023                            |      | 567,982        | 58,501,932          | 122,740,170                 | 816,707,555               | 335,273,405          | 8,162,667           | 6,279,927          | 82,098,359               | 1,430,331,997        |
| <b>At 30 June 2024</b>                         |      | <b>567,274</b> | <b>57,708,939</b>   | <b>122,662,535</b>          | <b>829,760,178</b>        | <b>372,246,729</b>   | <b>7,967,549</b>    | <b>6,137,988</b>   | <b>38,338,706</b>        | <b>1,435,389,898</b> |

## 6 Property, Plant and Equipment (Continued)

### Additions

During the six months ended 30 June, 2024, additions to construction in progress are mainly related to the construction of the 2nd line of the Almaty-Baiserke-Talgar main gas pipeline in the Almaty region in the amount of Tenge 15,993,030 thousand, construction of a bypass gas pipeline on the section of the BGR-TBA main gas pipeline in the amount of Tenge 6,147,271 thousand, overhaul of main gas pipelines, fire works, in-line diagnostics, replacement of defective pipes, emergency recovery works in the total amount of Tenge 2,456,346 thousand and expert- diagnostic support for major repairs and preparatory work on the SAC-4, SAC-5 main gas pipelines in the total amount of Tenge 2,310,856 thousand.

### Transfers

Significant portion of the fixed assets put into operation is related to the completion of the TIP-04 Kairat interconnector between the Kazakhstan-China and Almaty-Baiserke-Talgar main gas pipelines in the amount of Tenge 23,582,528 thousand, a set of works to ensure uninterrupted transportation of Russian gas through the SAC-5, SAC-4 and Looping SAC-4 main gas pipelines in the amount of Tenge 19,407,553 thousand, as well as the construction of an automated gas distribution station with branch gas pipelines and feeder gas pipelines to the CCGT CHPP-2 and CCGT CHPP-3 in the total amount of Tenge 29,499,839 thousand and the commissioning of the corresponding fixed assets.

### Other

As at 30 June 2024, the initial cost and related accumulated depreciation of fully depreciated property, plant and equipment still in use amounted to Tenge 21,826,524 thousand (31 December 2023: Tenge 21,329,426 thousand).

During the six months ended 30 June 2024 the Group capitalised borrowing costs of Tenge 904,099 thousand within property, plant and equipment (six months ended 30 June 2023: Tenge 1,178,157 thousand).

## 7 Right-of-use Assets

As at 30 June 2024 and 31 December 2023 right-of-use assets are as follows:

| <i>In thousands of tenge</i> | Note   | Gas transportation assets | Buildings and constructions | Total             |
|------------------------------|--------|---------------------------|-----------------------------|-------------------|
| At 31 December 2023          |        | 66,796,090                | 10,558                      | 66,806,648        |
| Depreciation expenses        | 24, 25 | (11,132,682)              | (888)                       | (11,133,570)      |
| <b>At 30 June 2024</b>       |        | <b>55,663,408</b>         | <b>9,670</b>                | <b>55,673,078</b> |

## 8 Investments in Joint Ventures

As at 30 June 2024 and 31 December 2023, investments in joint ventures included the following:

| <i>In thousands of tenge</i>                        | AGP                | BSP                | AG               | OG             | Total                |
|---|--------------------|--------------------|------------------|----------------|----------------------|
| At 31 December 2023                                 | 978,535,979        | 261,103,093        | 1,404,118        | 210,139        | 1,241,253,329        |
| Share in profit of joint ventures                   | 149,923,850        | 28,401,519         | 242,647          | -              | 178,568,016          |
| Share in other comprehensive loss of joint ventures | (198,222)          | -                  | -                | -              | (198,222)            |
| Dividends   | (254,457,500)      | (18,000,000)       | (373,363)        | -              | (272,830,863)        |
| <b>At 30 June 2024</b>                              | <b>873,804,107</b> | <b>271,504,612</b> | <b>1,273,402</b> | <b>210,139</b> | <b>1,146,792,260</b> |



**NC QazaqGaz JSC**  
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**9 Other Financial Assets**

As at 30 June 2024 and 31 December 2023, other financial assets included:

| <i>In thousands of tenge</i>              | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|---|-------------|---------------------|-------------------------|
| <b>Financial assets at amortised cost</b> |             |                     |                         |
| Samruk-Kazyna bonds                       | 29          | –                   | 64,783,007              |
| NBRK Notes                                | 29          | –                   | 34,825,682              |
| Lease receivables                         |             | 3,201,916           | 3,282,962               |
| Other                                     |             | 1,114,968           | 352,722                 |
|   |             | <b>4,316,884</b>    | <b>103,244,373</b>      |
| Less: current portion                     |             | (4,316,884)         | (103,244,373)           |
| <b>Non-current portion</b>                |             | <b>–</b>            | <b>–</b>                |

**Samruk-Kazyna bonds**

On 26 June 2023, the Group purchased 1,400 Samruk-Kazyna coupon bonds placed on the AIX stock exchange with a par value of US Dollars 100,000 per bond with an interest rate of 3.5% per annum due on 26 December 2023. On 25 December 2023, an additional agreement was concluded to extend maturity until 26 June 2024. On 23 May 2024, the Samruk-Kazyna coupon bonds were fully redeemed.

**NBRK notes**

On 27 December, 2023, the Group acquired Notes of the National Bank of the Republic of Kazakhstan in the amount of tenge 34,825,682 thousand with an annual rate of 14.9% and a term of 14 days through a brokerage service agreement and nominal holding of securities with Kazpost JSC in order to increase the profitability of temporarily free cash.

**10 VAT Recoverable and Prepaid Taxes Other than Income Tax**

| <i>In thousands of tenge</i>            | <b>30 June 2024</b> | <b>31 December 2023</b> |
|---|---------------------|-------------------------|
| VAT recoverable                         | 228,553,971         | 218,254,204             |
| Property tax                            | 124,790             | 253,289                 |
| Withholding tax                         | 20,959              | 12,743                  |
| Other taxes prepaid                     | 453,021             | 410,066                 |
|   | <b>229,152,741</b>  | <b>218,930,302</b>      |
| Less: allowance for non-recoverable VAT | (44,312,842)        | (41,818,651)            |
|   | <b>184,839,899</b>  | <b>177,111,651</b>      |
| Non-current portion                     | 78,862,300          | 60,877,222              |
| Current portion                         | 105,977,599         | 116,234,429             |

## 11 Cash and Cash Equivalents

| <i>In thousands of tenge</i>   | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|---------------------|-------------------------|
| Current accounts in foreign currency   | 142,666,845         | 612,675                 |
| Current accounts in tenge  | 128,763,126         | 38,268,898              |
| Short-term deposits in tenge   | 114,242,959         | 20,828,160              |
| Reverse repurchase agreements ("reverse repo") with a maturity of less than three months in tenge            | 71,425,691          | -                       |
| Short-term deposits in foreign currency  | 2,597,971           | 4,404,297               |
| Cash in transit  | 2,345,689           | 2,911                   |
| Cash on hand   | 5,345               | 4,053                   |
| Balances on brokerage accounts payable on demand   | 815                 | 617                     |
| Reverse repurchase agreements ("reverse repo") with a maturity of less than three months in foreign currency | -                   | 2,649,337               |
|  | <b>462,048,441</b>  | <b>66,770,948</b>       |

As at 30 June 2024, deposits were placed in banks at interest rates of 13-14.55% per annum in tenge (2023: 14.25-15.8% per annum) and 0-5% per annum in foreign currency (2023: 1% -2% per annum).

As at 30 June 2024, interest rates for cash in the current accounts in banks were 0-13.5% per annum in tenge (2023: 0%-14.75% per annum) and 0-4.6% in foreign currency.

## 12 Inventories

| <i>In thousands of tenge</i> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|------------------------------|---------------------|-------------------------|
| Gas                          | 47,110,448          | 55,024,184              |
| Materials and supplies       | 6,229,024           | 8,166,864               |
|                              | <b>53,339,472</b>   | <b>63,191,048</b>       |

Materials and supplies mainly include spare parts for maintenance of the gas transportation system, methanol and lubricating materials to be used in the gas transportation equipment and the goods for internal use. Gas includes fuel gas and gas for sale.

## 13 Trade and Other Receivables

| <i>In thousands of tenge</i>               | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| Trade receivables from third parties       |             | 262,993,383         | 219,101,071             |
| Trade receivables from related parties     | 29          | 37,044,104          | 51,018,482              |
| Other receivables from related parties     | 29          | 3,037,152           | 21,021,300              |
| Other receivables from third parties       |             | 3,597,754           | 4,296,912               |
|  |             | <b>306,672,393</b>  | <b>295,437,765</b>      |
| Less: allowance for expected credit losses |             | (12,421,582)        | (7,973,112)             |
|  |             | <b>294,250,811</b>  | <b>287,464,653</b>      |

### 13 Trade and Other Receivables (Continued)

Movement in the allowance for expected credit losses (ECL) was as follows:

| <i>In thousands of tenge</i> | <b>Individually impaired</b> |
|------------------------------|------------------------------|
| At 31 December 2023          | (7,973,112)                  |
| Charge for the year          | (6,470,416)                  |
| Foreign currency translation | (131,871)                    |
| Write off                    | 856,615                      |
| Reversal                     | 1,297,202                    |
| <b>At 30 June 2024</b>       | <b>(12,421,582)</b>          |

As at 30 June 2024 and 31 December 2023, trade and other receivables are denominated in the following currencies:

| <i>In thousands of tenge</i> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|------------------------------|---------------------|-------------------------|
| US Dollars                   | 230,273,964         | 156,796,570             |
| Tenge                        | 63,976,847          | 130,668,083             |
|                              | <b>294,250,811</b>  | <b>287,464,653</b>      |

Trade and other receivables are non-interest bearing.

### 14 Equity

|                     | <b>Common shares outstanding (number of shares)</b> |                     |                     |                     |                     | <b>Par value of</b> | <b>Par value of</b> | <b>Total</b>         |
|---------------------|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|                     | <b>Par value of</b>                                 | <b>Par value of</b> | <b>Par value of</b> | <b>Par value of</b> | <b>Par value of</b> | <b>16,915,397</b>   | <b>38,737,143</b>   |                      |
|                     | <b>100 tenge</b>                                    | <b>138 tenge</b>    | <b>2,500 tenge</b>  | <b>10,000 tenge</b> | <b>17,632 tenge</b> | <b>tenge</b>        | <b>tenge</b>        | <b>share capital</b> |
| At 30 June 2024     | 312,167,670   | 1                   | 30,976,655          | 30,455,065          | 1,006,717           | 1,000               | 1,000               | 486,612,029          |
| At 31 December 2023 | 312,167,670   | 1                   | 30,976,655          | 30,455,065          | 1,006,717           | 1,000               | -                   | 447,874,886          |

Common shares give their holders the right to vote on all matters within the competence of the General Shareholders Meeting. Dividends on common shares are paid at the Sole Shareholder's discretion. During the six months ended 30 June 2024 the Group paid dividends on common shares in the amount of Tenge 22,809,827 thousand to the Sole Shareholder (2023: Tenge 27,065,364 thousand).

#### **Share capital**

On 14 February, 2024, 1,000 (one thousand) common shares of NC QazaqGaz JSC with a par value of Tenge 38,737,143 each were issued under the right of preemption for the transfer of 100% stake in GPC Investment LLP in accordance with the transfer agreement between Samruk - Kazyna JSC and NC QazaqGaz JSC for the total of Tenge 38,737,143 thousand.

As of the date of acquisition of the subsidiary, the difference between the acquisition cost and the net assets of GPCI amounted to 3,806,467 thousand tenge and was recognized in retained earnings.

**14 Equity (Continued)**

**Additional information disclosed in accordance with Kazakhstan Stock Exchange ("KASE") requirements**

| <i>In thousands of tenge</i>  | <b>30 June 2024</b>  | <b>31 December 2023</b> |
|---|----------------------|-------------------------|
| Total assets  | 3,844,759,587        | 3,543,009,613           |
| Less: intangible assets   | (4,537,701)          | (4,752,739)             |
| Less: total liabilities   | (1,182,375,875)      | (1,040,121,328)         |
| <b>Net assets for calculation of cost of common share in accordance with listing requirements of KASE</b> | <b>2,657,846,011</b> | <b>2,498,135,546</b>    |
| Number of common shares   | 374,608,108          | 374,607,108             |
| <b>Cost of common share in accordance with the KASE requirements in thousands of tenge</b>                | <b>7.095</b>         | <b>6.669</b>            |

In accordance with the decision of the Exchange Board of KASE dated 4 October 2010, the financial statements shall disclose cost per share (common and preferred) as at the reporting date, calculated in accordance with the KASE rules.

**Earnings per share**

Basic and diluted earnings per share are calculated by dividing net income for the period attributable to common shareholders by the weighted average number of shares outstanding during the period.

The following table reflects the income and share data used in the basic earnings per share computations for the reporting periods:

| <i>In thousands of tenge</i>  | <b>For the six months ended<br/>30 June (unaudited)</b> |             |
|---|---|-------------|
|   | <b>2024</b>   | <b>2023</b> |
| Net income attributable to the shareholder for basic and diluted earnings per share (in thousands of tenge) | 139,870,530   | 165,571,467 |
| Weighted average number of common shares for basic and diluted earnings per share                           | 374,607,865   | 374,606,547 |
| <b>Basic and diluted, earnings per share for the period</b>   | <b>0.37</b>   | <b>0.44</b> |
| <b>Basic and diluted, earnings per share for the period from continuing operations</b>                      | <b>0.38</b>   | <b>0.44</b> |
| <b>Basic and diluted, earnings per share for the period from discontinued operations</b>                    | <b>(0.01)</b>   | <b>-</b>    |

**NC QazaqGaz JSC**  
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**15 Debt Securities Issued**

As at 30 June 2024 and 31 December 2023, debt securities issued comprised the following:

| <i>In thousands of tenge</i>                                  | Issue date | Maturity | Interest rate | 30 June 2024       |                       | 31 December 2023   |                       |
|---|------------|----------|---------------|--------------------|-----------------------|--------------------|-----------------------|
|   |            |          |               | US dollars         | In thousands of tenge | US dollars         | In thousands of tenge |
| QG bonds  | 2017       | 2027     | 4.375%        | 706,320,000        | 333,001,627           | 706,320,000        | 321,064,819           |
| KTG Aimak bonds   | 2015       | 2025     | 7.5%          | -                  | 5,000,000             | -                  | 5,000,000             |
|   |            |          |               | <b>706,320,000</b> | <b>338,001,627</b>    | <b>706,320,000</b> | <b>326,064,819</b>    |
| Plus: interest payable  |            |          |               | -                  | 3,938,300             | -                  | 3,800,488             |
| Less: unamortized transaction costs                           |            |          |               | -                  | (123,824)             | -                  | (142,873)             |
| Less: discount  |            |          |               | -                  | (404,195)             | -                  | (488,700)             |
|   |            |          |               | -                  | <b>341,411,908</b>    | -                  | <b>329,233,734</b>    |
| Less: the amount due within 12 months from the reporting date |            |          |               | -                  | (3,938,300)           | -                  | (3,800,488)           |
| <b>Amounts due after 12 months</b>                            |            |          |               | -                  | <b>337,473,608</b>    | -                  | <b>325,433,246</b>    |

**16 Interest Bearing Loans**

As at 30 June 2024 and 31 December 2023, interest bearing loans comprised the following:

| <i>In thousands of tenge</i>                              | 30 June 2024      | 31 December 2023  |
|---|-------------------|-------------------|
| Interest bearing loans with floating rate                 | 21,536,333        | 5,706,130         |
| Interest bearing loans with fixed rate                    | 17,795,537        | 41,849,334        |
|   | <b>39,331,870</b> | <b>47,555,464</b> |
| Plus: interest payable                                    | 873,935           | 713,766           |
| Less: unamortized transaction costs                       | (285,713)         | (356,368)         |
|   | <b>39,920,092</b> | <b>47,912,862</b> |
| Less: amount due within 12 months from the reporting date | (17,027,398)      | (17,947,310)      |
| <b>Amounts due for settlement after 12 months</b>         | <b>22,892,694</b> | <b>29,965,552</b> |

**JSC Halyk Savings Bank of Kazakhstan**

During 2022, in order to refinance the existing loan from the EBRD, ICA received a loan from Halyk Savings Bank of Kazakhstan JSC in the amount of Tenge 29,700,000 thousand with a fixed interest rate of 17.85%.

On 4 March, 2024, an additional agreement to the loan agreement was concluded, according to which, starting from 6 March, 2024, the interest rate is the base rate of the National Bank of the Republic of Kazakhstan plus 2% per annum of the bank loan amount. The interest rate is subject to revision every 6 months and is set at an amount equal to the base rate of the National Bank of the Republic of Kazakhstan, effective on the revision date, plus 2% per annum, while the minimum interest rate should not be lower than 15% per annum.

**Covenants**

Under the terms of bank loans, the Group is obliged to comply with certain covenants. The Group reviews compliance with loan covenants at each reporting date. Failure to comply with financial covenants gives the lenders the right to demand early repayment of loans. As at 30 June 2024, the Group complies with all covenants.

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**17 Loans from Related Parties**

As at 30 June 2024 and 31 December 2023, loans from a related party included the following:

| <i>In thousands of tenge</i>                              | <b>30 June 2024</b> | <b>31 December 2023</b> |
|---|---------------------|-------------------------|
| Fixed interest rate borrowing                             | -                   | 8,462,491               |
|   | <b>-</b>            | <b>8,462,491</b>        |
| Plus: interest payable                                    | -                   | 89                      |
| Less: unamortised discount                                | -                   | (494,560)               |
|   | <b>-</b>            | <b>7,968,020</b>        |
| Less: amount due within 12 months from the reporting date | -                   | (7,968,020)             |
| <b>Amounts due after 12 months</b>                        | <b>-</b>            | <b>-</b>                |

On 23 November 2021, the Group received long-term loan from NC KazMunayGas JSC in the amount of Tenge 24,104,026 thousand (equivalent to USD 55,851 thousand) at the rate of 0.01% per annum for general corporate purposes with a maturity date of the loan of 23 November 2024, During the six months ended 30 June 2024, the Group repaid the loan in full for a total amount of Tenge 8,222,705 thousand, including accrued interest in the amount of Tenge 372 thousand, in advance.

**18 Provisions**

| <i>In thousands of tenge</i>                  | <b>Note</b> | <b>Provision for gas transportation expenses</b> | <b>Wells abandonment, site restoration provision</b> | <b>Gas pipeline abandonment and site restoration provision</b> | <b>Tax provisions</b> | <b>Other</b>   | <b>Total</b>       |
|---|-------------|--|--|--|-----------------------|----------------|--------------------|
| At 31 December 2023                           |             | 33,225,553                                       | 461,928  | 77,628,333   | 123,792               | 1,319,652      | 112,759,258        |
| Accrued during the year                       |             | -  | 981  | 38,217   | -                     | 342,528        | 381,726            |
| Foreign exchange difference                   |             | 1,235,286  | -  | -  | -                     | -              | 1,235,286          |
| Change in estimates                           | 6           | -  | 38,235   | (7,126,117)  | -                     | -              | (7,087,882)        |
| Unwinding of discount                         |             | -  | 20,360   | 3,514,395  | -                     | 385            | 3,535,140          |
| Transfers                                     |             | -  | -  | -  | (33,271)              | -              | (33,271)           |
| Utilised                                      |             | -  | (6,546)  | -  | (90,521)              | (1,115,708)    | (1,212,775)        |
| <b>At 30 June 2024</b>                        |             | <b>34,460,839</b>                                | <b>514,958</b>                                       | <b>74,054,828</b>  | <b>-</b>              | <b>546,857</b> | <b>109,577,482</b> |
| Current provisions as at 30 June 2024         |             | 34,460,839                                       | -  | -  | -                     | 542,876        | 35,003,715         |
| Non-current provisions as at 30 June 2024     |             | -  | 514,958  | 74,054,828   | -                     | 3,981          | 74,573,767         |
| Current provisions as at 31 December 2023     |             | 33,225,553                                       | -  | -  | 123,792               | 1,316,056      | 34,665,401         |
| Non-current provisions as at 31 December 2023 |             | -  | 461,928  | 77,628,333   | -                     | 3,596          | 78,093,857         |

**Gas pipeline abandonment and site restoration provision**

The Group's subsidiaries ICA and QazaqGaz Aimaq recorded the provision for future costs of decommissioning of gas compressing plants and main gas pipelines on a discounted basis in accordance with the Law of the Republic of Kazakhstan on Main Pipelines and the Environmental Code of the Republic of Kazakhstan. As at 30 June 2024, gas pipeline abandonment and site restoration provision of Tenge 74,054,828 thousand (31 December 2023: Tenge 77,628,333 thousand) represents the current costs of gas pipeline abandonment and site restoration expected to be incurred from 2031 till 2055, As at 30 June 2024, the long-term inflation rate and discount rate used to determine the provision were 5.15% and 10.33%, respectively (31 December 2023: 4.19% and 9.08%, respectively).

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**19 Lease Liabilities**

The movements in the lease liabilities for the period ended 30 June 2024 and 31 December 2023 are presented as follows:

| <i>In thousands of tenge</i> | Note | Gas transportation assets | Buildings and constructions | Total             |
|------------------------------|------|---------------------------|-----------------------------|-------------------|
| At 31 December 2023          |      | 76,658,620                | 28,077                      | 76,686,697        |
| Interest expense             | 27   | 6,275,757                 | 1,122                       | 6,276,879         |
| Lease payments               |      | (2,343,251)               | (2,430)                     | (2,345,681)       |
| <b>At 30 June 2024</b>       |      | <b>80,591,126</b>         | <b>26,769</b>               | <b>80,617,895</b> |

**20 Contract Liabilities**

| <i>In thousands of tenge</i>                       | Note | 30 June 2024      | 31 December 2023  |
|--|------|-------------------|-------------------|
| Contract liabilities to third parties              |      | 15,781,681        | 15,401,180        |
| Contract liabilities to related parties            | 29   | 365,620           | 361,407           |
|  |      | <b>16,147,301</b> | <b>15,762,587</b> |
| Less: current portion of contract liabilities      |      | (5,589,827)       | (4,941,775)       |
| <b>Non-current portion of contract liabilities</b> |      | <b>10,557,474</b> | <b>10,820,812</b> |

Liabilities under contracts with customers include advances received from customers for the supply of gas and other services and goods, as well as deferred income related to gratuitous receipts in the form of long-term assets.

**21 Trade and Other Payables**

| <i>In thousands of tenge</i>      | Note | 30 June 2024       | 31 December 2023   |
|-----------------------------------|------|--------------------|--------------------|
| Trade payables to related parties | 29   | 145,258,900        | 146,508,980        |
| Trade payables to third parties   |      | 105,753,391        | 97,384,420         |
| Accrued payables for gas purchase | 29   | 188,479,440        | 109,818,524        |
|                                   |      | <b>439,491,731</b> | <b>353,711,924</b> |

Trade and other payables represent amounts due for the purchased gas, assets and services. Trade and other payables are non-interest bearing, usually settled within 30 days, except for payables under gas purchase agreements, information on which is disclosed in Note 4.

As at 30 June 2024 and 31 December 2023 trade and other payables are denominated in the following currencies:

| <i>In thousands of tenge</i> | 30 June 2024       | 31 December 2023   |
|------------------------------|--------------------|--------------------|
| Tenge                        | 352,696,103        | 294,749,087        |
| US Dollars                   | 86,709,563         | 58,899,537         |
| Russian rubles               | 3,633              | 59,099             |
| Other currencies             | 82,432             | 4,201              |
|                              | <b>439,491,731</b> | <b>353,711,924</b> |

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**22 Other Financial Liabilities**

| <i>In thousands of tenge</i>                                 | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|---------------------|-------------------------|
| Accrued bonuses to employees                                 | 11,867,460          | 14,165,208              |
| Reserve for unused vacations                                 | 2,138,894           | 2,633,677               |
| Liabilities for reimbursement of historic costs              | 1,415,512           | 1,333,382               |
| Salaries payable   | 1,104,060           | 1,897,444               |
| Liabilities for the socio-economic development of the region | 885,918             | 828,632                 |
| Put option liability   | 679,744             | 679,744                 |
| Financial obligations under issued guarantees                | –                   | 1,418,106               |
| Bonds liability  | –                   | 673,261                 |
| Other  | 1,358,127           | 2,416,186               |
| Less: current portion of other financial liabilities         | (16,522,117)        | (21,852,939)            |
| <b>Non-current portion of other financial liabilities</b>    | <b>2,927,598</b>    | <b>4,192,701</b>        |

**23 Revenue from Contracts with Customers**

| <i>In thousands of tenge</i>                        | Timing of revenue recognition | For the three months ended 30 June (unaudited) |                    | For the six months ended 30 June (unaudited) |                    |
|---|-------------------------------|--|--------------------|--|--------------------|
|   |                               | 2024   | 2023               | 2024   | 2023               |
| <b>Type of goods or service</b>                     |                               |  |                    |  |                    |
| Revenue from sales of gas                           | Over time                     | 278,236,627                                    | 248,361,274        | 517,410,210                                  | 421,954,748        |
| Revenue from gas transportation services            | Over time                     | 19,721,448                                     | 13,937,668         | 67,085,367                                   | 45,550,528         |
| Revenue from technical maintenance of gas pipelines | Over time                     | 3,323,170                                      | 1,953,097          | 5,715,876                                    | 5,143,588          |
| Other   | Over time                     | 1,201,563                                      | 1,812,515          | 3,346,713                                    | 2,954,779          |
|   |                               | <b>302,482,808</b>                             | <b>266,064,554</b> | <b>593,558,166</b>                           | <b>475,603,643</b> |
| <b>Geographical markets</b>                         |                               |  |                    |  |                    |
| China   |                               | 215,206,953                                    | 200,358,654        | 306,737,816                                  | 246,145,005        |
| Kazakhstan  |                               | 76,430,288                                     | 60,479,090         | 253,414,729                                  | 214,945,520        |
| Russia  |                               | 10,807,723                                     | 5,092,616          | 32,561,608                                   | 12,118,630         |
| Uzbekistan  |                               | 37,844   | 134,194            | 844,013                                      | 2,394,488          |
|   |                               | <b>302,482,808</b>                             | <b>266,064,554</b> | <b>593,558,166</b>                           | <b>475,603,643</b> |



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**24 Cost of Sales**

| <i>In thousands of tenge</i>            | Note | For the three months<br>ended 30 June (unaudited) |                    | For the six months<br>ended 30 June (unaudited) |                    |
|---|------|---|--------------------|---|--------------------|
|   |      | 2024  | 2023               | 2024  | 2023               |
| Cost of gas sold                        |      | 160,550,917                                       | 99,851,195         | 340,011,100                                     | 208,507,332        |
| Transportation expenses                 |      | 74,376,712  | 75,945,276         | 150,833,192                                     | 145,180,510        |
| Payroll and related contributions       |      | 19,833,663  | 17,477,674         | 43,398,559                                      | 36,012,376         |
| Depreciation and amortization           |      | 12,254,344  | 9,687,249          | 24,107,943                                      | 18,813,000         |
| Fuel gas and gas losses                 |      | 3,494,302   | 2,965,997          | 11,414,799                                      | 8,516,289          |
| Depreciation of the right-of-use assets | 7    | 5,566,341   | 5,566,340          | 11,132,682                                      | 11,132,681         |
| Taxes other than income tax             |      | 4,070,624   | 2,774,844          | 7,999,028                                       | 5,499,213          |
| Billing services                        |      | 2,383,080   | 1,844,518          | 4,625,175                                       | 3,410,482          |
| Security                                |      | 1,162,174   | 1,085,434          | 2,316,798                                       | 2,185,083          |
| Repair and maintenance                  |      | 764,480   | 846,441            | 1,515,931                                       | 1,101,577          |
| Electricity                             |      | 402,399   | 311,269            | 955,756   | 727,511            |
| Business trip expenses                  |      | 511,952   | 520,724            | 953,664   | 921,476            |
| Materials and supplies                  |      | 359,653   | 499,894            | 718,614   | 684,988            |
| Insurance                               |      | 275,569   | 245,355            | 547,473   | 488,822            |
| Expenses related to short-term leases   |      | 287,878   | 136,600            | 540,035   | 270,697            |
| Communication expenses                  |      | 254,574   | 276,639            | 519,050   | 533,664            |
| Other                                   |      | 1,203,653   | 1,095,024          | 2,546,325                                       | 1,884,601          |
|   |      | <b>287,752,315</b>                                | <b>221,130,473</b> | <b>604,136,124</b>                              | <b>445,870,302</b> |

**25 General and Administrative Expenses**

| <i>In thousands of tenge</i>  | Note | For the three months<br>ended 30 June (unaudited) |                  | For the six months<br>ended 30 June (unaudited) |                   |
|---|------|---|------------------|---|-------------------|
|   |      | 2024  | 2023             | 2024  | 2023              |
| Payroll and related contributions                                       |      | 4,088,558   | 3,873,284        | 8,258,894                                       | 7,455,070         |
| Tax reserve, net  |      | 2,493,122   | –                | 2,494,191                                       | –                 |
| Charity assistance  |      | 1,000,000   | –                | 1,000,000                                       | –                 |
| Depreciation and amortization   |      | 496,336   | 300,820          | 961,076   | 771,152           |
| Taxes other than income tax   |      | 465,317   | 1,776,544        | 945,008   | 1,912,570         |
| Repair and maintenance  |      | 415,867   | 494,523          | 823,682   | 664,105           |
| Fines and penalties   |      | 591,498   | 669,590          | 599,789   | 20,891            |
| Консультационные услуги   |      | 155,533   | 404,904          | 358,541   | 665,465           |
| Expenses related to short-term leases<br>and leases of low-value assets |      | 182,395   | 128,624          | 345,908   | 263,118           |
| Bank charges  |      | 116,015   | 75,093           | 299,432   | 139,046           |
| Business trip expenses  |      | 164,634   | 107,410          | 259,063   | 199,003           |
| Personnel development and upskilling                                    |      | 135,085   | 102,485          | 199,294   | 160,764           |
| Office maintenance expenses   |      | 90,591  | 154,513          | 157,553   | 345,202           |
| Communication services  |      | 31,867  | 39,005           | 60,716  | 82,778            |
| Festive and cultural events expenses                                    |      | 36,033  | 13,265           | 36,033  | 13,265            |
| Insurance   |      | 20,094  | 10,851           | 32,968  | 19,060            |
| Security costs  |      | 5,280   | 1,198            | 11,441  | 6,062             |
| Depreciation of the right-of-use assets                                 | 7    | 444   | 21,913           | 888   | 136,623           |
| Other   |      | 952,940   | 467,381          | 1,293,131                                       | 979,239           |
|   |      | <b>11,441,609</b>                                 | <b>8,641,403</b> | <b>18,137,608</b>                               | <b>13,833,413</b> |

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**26 Interest Income Calculated Using the Effective Interest Method**

| <i>In thousands of tenge</i>   | For the three months<br>ended 30 June (unaudited) |                  | For the six months<br>ended 30 June (unaudited) |                   |
|--|---|------------------|---|-------------------|
|  | 2024  | 2023             | 2024  | 2023              |
| Interest income on bank deposits   | 8,838,789   | 6,273,117        | 15,683,121                                      | 13,626,638        |
| Amortization of discount on loan issued to a related party                   | 448,982   | 1,390,213        | 1,876,397                                       | 1,982,480         |
| Interest income on other financial assets carried at amortized cost          | 312,546   | 30,906           | 862,269   | 30,906            |
| Amortization of discount on other financial assets carried at amortized cost | 73,336  | 256,959          | 349,018   | 770,109           |
|  | <b>9,673,653</b>                                  | <b>7,951,195</b> | <b>18,770,805</b>                               | <b>16,410,133</b> |

**27 Finance Costs**

| <i>In thousands of tenge</i>  | Note | For the three months<br>ended 30 June (unaudited) |                   | For the six months<br>ended 30 June (unaudited) |                   |
|---|------|---|-------------------|---|-------------------|
|   |      | 2024  | 2023              | 2024  | 2023              |
| Interest on debt securities issued  |      | 3,589,971   | 3,582,014         | 7,150,509                                       | 7,264,052         |
| Interest expense on lease liabilities   | 19   | 3,178,918   | 3,972,434         | 6,276,879                                       | 7,813,119         |
| Unwinding of discount on gas pipeline abandonment and site restoration provisions |      | 1,790,445   | 1,633,264         | 3,534,755                                       | 2,965,049         |
| Interest on bank loans and overdrafts   |      | 1,024,909   | 3,213,104         | 2,071,331                                       | 7,393,280         |
| Discount on loan issued to a related party  |      | –   | 917,159           | 705,051   | 2,777,209         |
| Unwinding of discount on financial liabilities                                    |      | 314,446   | 236,748           | 433,828   | 467,914           |
| Unwinding of discount on debt securities issued                                   |      | 47,915  | 45,094            | 92,927  | 86,999            |
| Amortization of capitalized loan origination costs                                |      | 31,015  | 83,004            | 70,655  | 167,205           |
| Interest on loans from related party  |      | 74  | 420               | 283   | 841               |
| Other   |      | 115,280   | 125,324           | 235,798   | 303,676           |
|   |      | <b>10,092,973</b>                                 | <b>13,808,565</b> | <b>20,572,016</b>                               | <b>29,239,344</b> |

**28 Income Tax Expenses**

The Group is subject to corporate income tax at the prevailing statutory rate of 20%.

| <i>In thousands of tenge</i>          | For the three months<br>ended 30 June (unaudited) |                  | For the six months<br>ended 30 June (unaudited) |                  |
|---------------------------------------|---|------------------|---|------------------|
|                                       | 2024  | 2023             | 2024  | 2023             |
| Current income tax expense            | (2,231,614)                                       | 479,171          | 4,243,202                                       | 8,956,362        |
| Deferred income tax expense/(benefit) | 3,599,777   | (1,014,510)      | 4,387,126                                       | (630,127)        |
| Adjustment of prior year income tax   | 423,902   | 154,739          | 445,813   | 198,052          |
|                                       | <b>1,792,065</b>                                  | <b>(380,600)</b> | <b>9,076,141</b>                                | <b>8,524,287</b> |

## 29 Related Party Transactions

### *Terms and conditions of transactions with related parties*

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The Management believes that the Group has appropriate procedures for identification and respective disclosure of information on related parties' transactions.

Major transactions with related parties are as follows:

| <i>In thousands of tenge</i>   | <b>For the three months ended<br/>30 June (unaudited)</b> |                    | <b>For the six months ended<br/>30 June (unaudited)</b> |                    |
|--|---|--------------------|---|--------------------|
|  | <b>2024</b>   | <b>2023</b>        | <b>2024</b>   | <b>2023</b>        |
| <b>Sales of goods and services</b>   |   |                    |   |                    |
| Joint ventures in which the Group is a venturer                            | 4,827,037   | 3,463,296          | 8,828,579   | 22,688,428         |
| Entities under control of Samruk-Kazyna and the Government                 | 15,182,122  | 13,518,482         | 47,905,615  | 39,714,377         |
| Joint ventures in which Samruk-Kazyna and the Government are venturers     | 252,287   | 268,746            | 411,030   | 414,631            |
| Associates in which Samruk-Kazyna and the Government are venturers         | 34,905  | 35,799             | 76,928  | 76,902             |
| Enterprises under significant influence of the Government                  | 5,666,035   | 3,270,458          | 14,394,586  | 8,484,858          |
|  | <b>25,962,386</b>   | <b>20,556,781</b>  | <b>71,616,738</b>                                       | <b>71,379,196</b>  |
| <b>Management fee</b>  |   |                    |   |                    |
| Entities under control of Samruk-Kazyna and the Government                 | 18,707,267  | -                  | 18,707,267  | -                  |
|  | <b>18,707,267</b>   | <b>-</b>           | <b>18,707,267</b>                                       | <b>-</b>           |
| <b>Purchases of goods and services</b>                                     |   |                    |   |                    |
| Joint ventures in which the Group is a venturer                            | 74,845,029  | 75,796,656         | 142,444,484   | 141,128,560        |
| Entities under control of Samruk-Kazyna and the Government                 | 2,672,368   | 3,004,578          | 11,174,024  | 6,529,298          |
| Joint ventures in which Samruk-Kazyna and the Government are venturers     | 92,128,543  | 69,392,239         | 165,067,270   | 124,033,140        |
| Associates in which Samruk-Kazyna and the Government are venturers         | 147,145   | 173,188            | 259,165   | 356,446            |
| Enterprises under significant influence of the Government                  | 14  | -                  | 14  | -                  |
|  | <b>169,793,099</b>  | <b>148,366,661</b> | <b>318,944,957</b>                                      | <b>272,047,444</b> |
| <b>Interest income calculated using the effective interest rate method</b> |   |                    |   |                    |
| Entities under control of Samruk-Kazyna and the Government                 | 834,864   | 1,678,078          | 3,087,684   | 2,783,495          |
|  | <b>834,864</b>  | <b>1,678,078</b>   | <b>3,087,684</b>  | <b>2,783,495</b>   |
| <b>Finance expenses</b>  |   |                    |   |                    |
| Joint ventures in which Samruk-Kazyna and the Government are venturers     | 791,797   | 1,808,860          | 2,132,909   | 4,625,937          |
| Joint ventures in which Samruk-Kazyna and the Government are venturers     | 3,178,365   | 3,980,720          | 6,275,757   | 7,808,155          |
|  | <b>3,970,162</b>  | <b>5,789,580</b>   | <b>8,408,666</b>  | <b>12,434,092</b>  |

\* The disclosure of transactions with related parties significantly influenced by the Government for the six months ended 30 June 2023 above differs from the presentation in the interim condensed consolidated financial statements for the six months ended 30 June 2023 because the Group did not disclose these amounts in the consolidated financial statements for the six months ended 30 June 2023.

**NC QazaqGaz JSC**  
**Notes to the Interim condensed consolidated financial statements (unaudited)**  
**as at and for the six months ended 30 June 2023**

**29 Related Party Transactions (Continued)**

| <i>In thousands of tenge</i>                               | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Cash and cash equivalents</b>                           |             |                     |                         |
| Entities under control of Samruk-Kazyna and the Government |             | 1,382,075           | 471,191                 |
|  |             | <b>1,382,075</b>    | <b>471,191</b>          |

| <i>In thousands of tenge</i>             | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Loans to related party</b>            |             |                     |                         |
| Entities under control of the Government |             | –                   | 39,977,505              |
|  |             | –                   | <b>39,977,505</b>       |

| <i>In thousands of tenge</i>                               | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Other financial assets</b>                              |             |                     |                         |
| Entities under control of Samruk-Kazyna and the Government | 9           | –                   | 99,608,689              |
|  |             | –                   | <b>99,608,689</b>       |

| <i>In thousands of tenge</i>   | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Trade and other receivables</b>                                     |             |                     |                         |
| Joint ventures in which the Group is a venturer                        | 13          | 10,467,051          | 39,020,421              |
| Entities under control of Samruk-Kazyna and the Government             |             | 24,577,075          | 28,580,042              |
| Joint ventures in which Samruk-Kazyna and the Government are venturers |             | 121,671             | 42,466                  |
| Associates in which Samruk-Kazyna and the Government are participants  |             | 12,664              | 16,261                  |
| Enterprises under significant influence of the Government              |             | 4,902,795           | 4,380,592               |
|  |             | <b>40,081,256</b>   | <b>72,039,782</b>       |

| <i>In thousands of tenge</i>                                       | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Advances paid</b>   |             |                     |                         |
| Joint ventures in which the Group is a venturer                    |             | 81,970              | 81,970                  |
| Entities under control of Samruk-Kazyna and the Government         |             | 3,414               | 5,026                   |
| Associates in which Samruk-Kazyna and the Government are venturers |             | 1,836,857           | 1,836,768               |
|  |             | <b>1,922,241</b>    | <b>1,923,764</b>        |

**29 Related Party Transactions (Continued)**

| <i>In thousands of tenge</i>   | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Trade and other payables</b>  | 21          |                     |                         |
| Joint ventures in which the Group is a venturer                        |             | 61,708,097          | 81,042,593              |
| Entities under control of Samruk-Kazyna and the Government             |             | 12,001,976          | 8,811,847               |
| Joint ventures in which Samruk-Kazyna and the Government are venturers |             | 259,235,725         | 165,694,130             |
| Associates in which Samruk-Kazyna and the Government are venturers     |             | 792,461             | 778,934                 |
| Entities under significant influence of the Government                 |             | 81                  | -                       |
|  |             | <b>333,738,340</b>  | <b>256,327,504</b>      |

| <i>In thousands of tenge</i>   | <b>Note</b> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|-------------|---------------------|-------------------------|
| <b>Contract liabilities</b>  | 20          |                     |                         |
| Joint ventures in which the Group is a venturer                        |             | 359,975             | 359,975                 |
| Entities under control of Samruk-Kazyna and the Government             |             | 5,499               | 1,429                   |
| Joint ventures in which Samruk-Kazyna and the Government are venturers |             | 3                   | 3                       |
| Associates in which Samruk-Kazyna and the Government are participants  |             | 143                 | -                       |
|  |             | <b>365,620</b>      | <b>361,407</b>          |

| <i>In thousands of tenge</i>                               |  | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|--|---------------------|-------------------------|
| <b>Bank loans</b>  |  |                     |                         |
| Entities under control of Samruk-Kazyna and the Government |  | 18,310,459          | 28,853,977              |
|  |  | <b>18,310,459</b>   | <b>28,853,977</b>       |

| <i>In thousands of tenge</i>   |  | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|--|---------------------|-------------------------|
| <b>Lease liabilities</b>   |  |                     |                         |
| Joint ventures in which Samruk-Kazyna and the Government are venturers |  | 80,591,126          | 76,658,620              |
|  |  | <b>80,591,126</b>   | <b>76,658,620</b>       |

| <i>In thousands of tenge</i>   |  | <b>30 June 2024</b> | <b>31 December 2023</b> |
|--|--|---------------------|-------------------------|
| <b>Other financial liabilities</b>                                     |  |                     |                         |
| Entities under control of Samruk-Kazyna and the Government             |  | 680,305             | 700,778                 |
| Joint ventures in which Samruk-Kazyna and the Government are venturers |  | 14,670              | 690,531                 |
| Associates in which Samruk-Kazyna and the Government are venturers     |  | 8,119               | 15,064                  |
|  |  | <b>703,094</b>      | <b>1,406,373</b>        |

## **29 Related Party Transactions (Continued)**

### **Compensation to key management personnel**

Key management personnel consist of members of the Management Board and independent directors of the Company. During the six months ended 30 June 2024 and 30 June 2023 the total remuneration of key management personnel of Tenge 658,915 thousand and Tenge 127,499 thousand, respectively, consisted primarily of salaries and other benefits and was included in general and administrative expenses in the interim condensed consolidated statement of comprehensive income.

## **30 Commitments and Contingencies**

In addition to the contractual commitments and contingencies disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2023, the following changes occurred during the six months ended 30 June 2024:

### **Unconditional gas purchase obligations to the joint ventures**

As at 30 June 2024, the Group has unconditional purchase obligation of Tenge 250,297,239 thousand, excluding VAT, to AGP comprising gas transportation services (31 December 2023: Tenge 313,199,873 thousand).

As at 30 June 2024, the Group has unconditional purchase obligation of Tenge 110,371,480 thousand, excluding VAT, to BShP comprising gas transportation services (31 December 2023: Tenge 203,148,195 thousand).

### **Obligations under subsoil use contract**

As of 30 June, 2024, in accordance with the minimum work program for the period 2024-2059 under the Subsoil Use Contracts, the Group has obligations for the total amount of Tenge 347,279,469 thousand (as of 31 December, 2023: Tenge 309,172,931 thousand).

### **Commitments for capital expenditures and investment programs**

As at 30 June 2024, the Group has capital commitments in the amount of Tenge 19,568,791 thousand, excluding VAT (31 December 2023: Tenge 43,694,763 thousand, excluding VAT) related to the acquisition and construction of non-current assets. As at 30 June 2024, contractual commitments of GPCI, a disposal group classified as held for sale, for the acquisition of property, plant and equipment and construction services amount to Tenge 239,342,994 thousand, excluding VAT.

As at 30 June 2024, the Group has commitments under approved investment programs for 2022-2028 in the amount of Tenge 53,849,102 thousand (31 December 2023: Tenge 71,698,216 thousand).

### **Commitments of AGP and BShP**

The Company's share in the commitments for capital expenditures of AGP and BShP is as follows:

| <i>In thousands of tenge</i> | <b>30 June 2024</b> | <b>31 December 2023</b> |
|------------------------------|---------------------|-------------------------|
| AGP                          | 6,349,589           | 6,353,464               |
| BShP                         | 3,450,130           | 1,386,229               |

## **Taxation**

### **Contingent tax liabilities of BShP**

According to the terms of the intergovernmental agreement between the Republic of Kazakhstan and the People's republic of China on cooperation in the construction and operation of the Kazakhstan-China gas pipeline dated 18 August 2007 (the "Agreement"), as well as the clarifications of the Tax Committee of the Ministry of Finance of the Republic of Kazakhstan dated 30 December 2014, BShP, which was established on the territory of the Republic of Kazakhstan for the purposes of the construction and operation of the "Beineu-Bozoy-Shymkent" gas pipeline, is exempt from paying value added tax on goods imported into the territory of the Republic of Kazakhstan until the completion of construction. In addition, BShP is exempt from corporate income tax and property tax until the date of repayment of loans obtained for the construction of the "Beineu-Bozoy-Shymkent" gas pipeline.

### **30 Commitments and Contingencies (Continued)**

Management believes that as at 30 June 2024, it correctly interpreted the relevant provisions of legislation, and the probability of retaining the tax preferences mentioned above over the established period is high.

In addition, BShP is carrying out a project to amend the above Agreement, the implementation of which will confirm the current exemption from the above taxes in connection with the refinancing of the initial loan raised for the construction of the Second section of the Kazakhstan-China gas pipeline.

If BShP had not have tax benefits mentioned above related to modification of loan terms, following tax liabilities would have reduced share in income of joint ventures and investments in joint ventures:

- Corporate income tax of Tenge 57,872,687 thousand, including penalties for understatement of tax amounts in tax returns of Tenge 46,298,150 thousand, of which:
  - 2019 – Tenge 1,378,739 thousand, penalties – Tenge 1,102,991 thousand;
  - 2020 – Tenge 12,709,629 thousand, penalties – Tenge 10,167,703 thousand;
  - 2021 – Tenge 13,815,959 thousand, penalties – Tenge 11,052,767 thousand;
  - 2022 – Tenge 10,933,909 thousand, penalties – Tenge 8,747,127 thousand;
  - 2023 – Tenge 13,630,969 thousand, penalties – Tenge 10,904,776 thousand;
  - six months ended 30 June, 2024 – Tenge 5,403,483 thousand, penalties – Tenge 4,322,786 thousand.
- Property tax of Tenge 12,261,472 thousand, including penalties for understated amounts in tax returns of Tenge 9,809,177 thousand, of which:
  - 2019 – Tenge 1,258,627 thousand, penalties – Tenge 1,006,901 thousand;
  - 2020 – Tenge 2,428,808 thousand, penalties – Tenge 1,943,047 thousand;
  - 2021 – Tenge 2,468,665 thousand, penalties – Tenge 1,974,932 thousand;
  - 2022 – Tenge 2,461,140 thousand, penalties – Tenge 1,968,912 thousand;
  - 2023 – Tenge 2,429,487 thousand, penalties – Tenge 1,943,590 thousand;
  - six months ended 30 June, 2024 – Tenge 1,214,746 thousand, fines – Tenge 971,796 thousand.
- Deferred tax liability of Tenge 8,338,695 thousand as at 30 June 2024 (31 December 2023: Tenge 7,693,293 thousand).

#### ***BShP legal proceedings***

##### ***StroyTechMontazh 2030 LLP***

On 25 August 2021, a civil case was initiated by the Determination of the Specialized Interdistrict Economic Court (hereinafter "SIEC") of Almaty on the claim of Stroytechmontazh 2030 LLP against BShP on a number of issues related to the volume and cost of construction work performed by Stroytechmontazh 2030 LLP. The share of the Group's contingent liabilities under this claim is Tenge 6,419,889 thousand. On 6 September 2021, BShP filed a counterclaim against Stroytechmontazh 2030 LLP. On 4 January 2023, BShP filed a petition for an independent examination with more detailed calculations and a description of the work done.

In January 2023, at the request of the State Forensic Bureau, a regular hearing was held on the case of StroyTekhMontazh 2030 LLP, during which the court ordered a repeat comprehensive examination. The examination was entrusted to the Astana Institute of Forensic Expertise. At the end of 2023, a Decision was made to recognize the acts as valid and to dismiss the claim of StroyTekhMontazh 2030 LLP. In January 2024, StroyTekhMontazh 2030 LLP filed an Appeal with the Almaty City Court, which dismissed the Appeal in April 2024.

Currently, proceedings have been initiated to declare StroyTekhMontazh 2030 LLP bankrupt at the suit of the tax authority. The State Forensic Bureau is preparing the necessary materials for submission in this bankruptcy procedure. The Group's management believes that the likelihood of losses under this claim is low.

### 30 Commitments and Contingencies (Continued)

#### *Unscheduled inspection of the Department of Ecology in Kyzylorda region on BShP*

In the period of 2021-2022, BShP purchased compressor stations from the Group. In February 2022, the Department of Ecology for the Kyzylorda Region (hereinafter referred to as the Department), unilaterally, without the knowledge of BShP, cancelled environmental permits for facilities located in the Kyzylorda Region. In May 2022, BShP submitted an application to the Department of Natural Resources for re-issuance of an environmental permit and received a notification of acceptance of documents. In October 2022, BShP sent pre-trial claims for the restoration of all previously issued environmental permits.

Due to the refusal to reissue permits, BShP was forced to apply for a new permit, which was received on 27 December 2022. On 5 July 2023, despite the measures taken to restore and issue a new permit, the Department, based on the results of an unscheduled inspection, drew up a Report on the results of the inspection, which reflected BShP's violations, and a Resolution to impose an administrative penalty and the Protocol on an administrative violation were drawn up and issued.

In July 2023, BShP filed an appeal against the unlawful and unjustified actions of the Department of Ecology related to the imposition of the fine and received a rejection of the appeal. In October 2023, BShP filed a private appeal with the Kyzylorda Regional Court to overturn the first instance court's ruling.

In November 2023, the appellate board of the Kyzylorda Regional Court issued a judicial act satisfying BShP's private complaint, overturned the ruling of the first instance court, and sent the case for a new trial. Later in December 2023, a preliminary reconsideration by the court of the first instance of BShP's administrative claim for invalidation of the decision on cancellation of environmental permits took place, and the judge of the specialized inter-district administrative court of Kyzylorda region decided to transfer BShP's claim on jurisdiction to the specialized inter-district administrative court of Astana city.

On 17 April, 2024, the decision of the specialized inter-district administrative court of the Kyzylorda region was announced, according to which the BShP's administrative claim was denied. On 6 June, 2024, an appeal was filed against the Decision of the specialized inter-district administrative court of the Kyzylorda region. The consideration of the appeal in the appellate instance is expected.

On 28 June 2024, the BShP received a Resolution on the imposition of an administrative penalty in the amount of Tenge 530,560 thousand based on the results of the inspection of the Karaozek CS facility. BShP is preparing materials for filing a claim in court.

BShP is an owner of other facilities with a similar situation in obtaining environmental permits. The Group's share in the total amount of the recognized reserve for potential fines due to the lack of an environmental permit at BShP amounted to Tenge 1,461,825 thousand.

### 31 Financial Instruments and Financial Risk Management Objectives and Policies

The following tables provide a fair value hierarchy for the Group's assets and liabilities and a comparison by carrying amount and fair value of all of the Group's financial instruments:

| <i>In thousands of tenge</i> | <b>30 June 2024</b>    |                   |   |  |  |
|------------------------------|------------------------|-------------------|---|--|--|
|                              | <b>Carrying amount</b> | <b>Fair value</b> | <b>Fair value by level of assessment</b>      |  |  |
|                              |                        |                   | <b>Quotations in active markets (Level 1)</b> | <b>Essential observable input data (Level 2)</b> | <b>Essential unobservable input data (Level 3)</b> |
| <b>Financial liabilities</b> |                        |                   |   |  |  |
| Debt securities issued       | (341,411,908)          | (320,812,850)     | (316,166,369)                                 | (4,646,481)                                      | -  |
| Bank loans                   | (102,343,216)          | (99,197,169)      | -   | (99,197,169)                                     | -  |

\* Bank loans as of 30 June 2024 reflect bank loans of the Group and the disposal group classified as held for sale.



### 31 Financial Instruments and Financial Risk Management Objectives and Policies (Continued)

| <i>In thousands of tenge</i>         | 31 December 2023 |               |  |   |   |
|--------------------------------------|------------------|---------------|--|---|---|
|                                      | Carrying amount  | Fair value    | Fair value by level of assessment      |   |   |
|                                      |                  |               | Quotations in active markets (Level 1) | Essential observable input data (Level 2) | Essential unobservable input data (Level 3) |
| <b>Financial assets</b>              |                  |               |  |   |   |
| Interest-free loans to related party | 39,977,505       | 41,430,357    | -                                      | -   | 41,430,357                                  |
| <b>Financial liabilities</b>         |                  |               |  |   |   |
| Debt securities issued               | (329,233,734)    | (316,059,928) | (311,644,432)                          | (4,415,496)                               | -   |
| Bank loans                           | (47,912,862)     | (44,914,068)  | -                                      | (44,914,068)                              | -   |
| Borrowings received                  | (7,968,020)      | (7,947,317)   | -                                      | (7,947,317)                               | -   |

Fair value of quoted bonds is based on price quotations at the reporting date.

The fair value of long-term loans is determined using DCF method using current rates for debt with similar terms, credit risk and remaining maturities.

During the six months ended 30 June 2024, and in 2023, there were no transfers between Levels 1,2 and 3.

#### **Estimates and assumptions**

The management of the Group has determined that the fair value of cash and bank deposits, trade receivables, trade and other payables, short-term loans received and all other financial instruments approximates their carrying amount mainly due to short-term nature of these instruments.

### 32 Segment Reporting

The Group determines its operating segments based on the nature of their operations. The performance of the operating segments is assessed by management on a regular basis.

The following reportable segments within the Group were determined:

- Gas trading – sales of gas within the Republic of Kazakhstan and abroad;
- Transportation and storage of gas – transportation of gas and storage of purchased gas in underground gas storages.

The remaining operating segments (exploration and production of gas and rendering transportation services) have been aggregated and presented as other operating segment due to their insignificance.

**NC QazaqGaz JSC**  
**Notes to the Interim condensed consolidated financial statements (unaudited)**  
**as at and for the six months ended 30 June 2023**

**32 Segment Reporting (Continued)**

The following table represents information about revenues and net profit for the six months ended 30 June 2024, as well as the assets and liabilities of the Group's operating segments as at 30 June 2024:

| <i>In thousands of tenge</i>                                   | <b>Gas trading</b>   | <b>Transportation and storage of gas</b> | <b>Other segments</b> | <b>Elimination</b>   | <b>Total</b>         |
|--|----------------------|--|-----------------------|----------------------|----------------------|
| Revenue from sales to external customers                       | 554,466,604          | 38,063,556                               | 1,028,006             | -                    | 593,558,166          |
| Revenue from sales to other segments                           | 5,894,454            | 82,501,629                               | 15,185,747            | (103,581,830)        | -                    |
| <b>Total revenue</b>   | <b>560,361,058</b>   | <b>120,565,185</b>                       | <b>16,213,753</b>     | <b>(103,581,830)</b> | <b>593,558,166</b>   |
| <b>Gross profit</b>  | <b>(48,990,461)</b>  | <b>37,887,777</b>                        | <b>3,486,718</b>      | <b>(2,961,992)</b>   | <b>(10,577,958)</b>  |
| Interest income calculated using the effective interest method | 21,941,704           | 830,090                                  | 2,495,505             | (6,496,494)          | 18,770,805           |
| Finance income   | 651                  | 643,610                                  | 6,547                 | (643,610)            | 7,198                |
| Finance costs  | (9,851,282)          | (14,061,622)                             | (108,266)             | 3,449,154            | (20,572,016)         |
| Depreciation and amortization                                  | (5,706,991)          | (17,445,941)                             | (1,916,087)           | -                    | (25,069,019)         |
| Share in profit of joint ventures                              | -                    | 178,325,369                              | 242,647               | -                    | 178,568,016          |
| Income tax expenses  | (4,618,432)          | (4,212,010)                              | (1,079,538)           | 833,839              | (9,076,141)          |
| <b>Net profit for the period from continuing operations</b>    | <b>243,414,372</b>   | <b>193,988,386</b>                       | <b>2,539,126</b>      | <b>(298,564,837)</b> | <b>141,377,047</b>   |
| <b>Other segment information</b>                               |                      |  |                       |                      |                      |
| Investments in joint ventures                                  | -                    | 1,145,308,719                            | 1,483,541             | -                    | 1,146,792,260        |
| Capital expenditures   | 3,868,272            | 34,932,230                               | 971,067               | (2,561,280)          | 37,210,289           |
| Allowance for expected credit losses                           | (10,884,140)         | (1,506,496)                              | (42,127)              | 391                  | (12,432,372)         |
| Allowances for obsolete inventories and advances paid          | (178,748)            | (2,005,790)                              | (275,487)             | -                    | (2,460,025)          |
| <b>Assets of the segment</b>                                   | <b>2,109,576,183</b> | <b>2,468,189,505</b>                     | <b>102,993,667</b>    | <b>(970,422,862)</b> | <b>3,710,336,493</b> |
| Assets of disposal groups classified as held for sale          | -                    | -  | 134,250,833           | 172,261              | 134,423,094          |
| <b>Total assets of the segment</b>                             | <b>2,109,576,183</b> | <b>2,468,189,505</b>                     | <b>237,244,500</b>    | <b>(970,250,601)</b> | <b>3,844,759,587</b> |
| <b>Liabilities of the segment</b>                              | <b>898,459,240</b>   | <b>324,112,673</b>                       | <b>11,092,940</b>     | <b>(114,598,464)</b> | <b>1,119,066,389</b> |
| Liabilities of disposal groups classified as held for sale     | -                    | -  | 97,446,308            | (34,136,822)         | 63,309,486           |
| <b>Total liabilities of the segment</b>                        | <b>898,459,240</b>   | <b>324,112,673</b>                       | <b>108,539,248</b>    | <b>(148,735,286)</b> | <b>1,182,375,875</b> |

The following table summarizes revenues and net income for the six months ended 30 June 2023, as well as the assets and liabilities of the Group's operating segments as at 31 December 2023:

| <i>In thousands of tenge</i>                                   | <b>Gas trading</b>   | <b>Transportation and storage of gas</b> | <b>Other segments</b> | <b>Elimination</b>   | <b>Total</b>         |
|--|----------------------|--|-----------------------|----------------------|----------------------|
| Revenue from sales to external customers                       | 441,288,082          | 18,710,124                               | 15,605,437            | -                    | 475,603,643          |
| Revenue from sales to other segments                           | 5,182,370            | 75,210,409                               | 10,485,270            | (90,878,049)         | -                    |
| <b>Total revenue</b>   | <b>446,470,452</b>   | <b>93,920,533</b>                        | <b>26,090,707</b>     | <b>(90,878,049)</b>  | <b>475,603,643</b>   |
| <b>Gross profit</b>  | <b>(6,617,489)</b>   | <b>24,159,172</b>                        | <b>13,426,180</b>     | <b>(2,234,522)</b>   | <b>29,733,341</b>    |
| Interest income calculated using the effective interest method | 17,596,779           | 770,177                                  | 3,777,970             | (5,734,793)          | 16,410,133           |
| Finance income   | 7,636                | -  | -                     | (4,533)              | 3,103                |
| Finance costs  | (16,885,946)         | (13,674,474)                             | (224,756)             | 1,545,832            | (29,239,344)         |
| Depreciation and amortization                                  | (5,481,229)          | (12,360,978)                             | (1,741,945)           | -                    | (19,584,152)         |
| Share in profit of joint ventures                              | -                    | 156,542,658                              | 189,758               | -                    | 156,732,416          |
| Income tax expenses  | (3,487,728)          | (1,132,993)                              | (3,903,566)           | -                    | (8,524,287)          |
| <b>Net profit for the period</b>                               | <b>16,828,057</b>    | <b>160,674,533</b>                       | <b>11,861,066</b>     | <b>(23,792,189)</b>  | <b>165,571,467</b>   |
| <b>Other segment information</b>                               |                      |  |                       |                      |                      |
| Investments in joint ventures                                  | -                    | 1,239,849,211                            | 1,404,118             | -                    | 1,241,253,329        |
| Capital expenditures   | 15,560,948           | 167,843,889                              | 8,180,871             | (9,382,544)          | 182,203,164          |
| Allowance for expected credit losses                           | (8,996,927)          | (802,558)                                | (38,347)              | 577,238              | (9,260,594)          |
| Allowances for obsolete inventories and advances paid          | (178,985)            | (2,005,790)                              | (275,487)             | -                    | (2,460,262)          |
| <b>Assets of the segment</b>                                   | <b>1,742,230,249</b> | <b>2,561,114,365</b>                     | <b>124,104,275</b>    | <b>(884,439,276)</b> | <b>3,543,009,613</b> |
| <b>Liabilities of the segment</b>                              | <b>794,309,316</b>   | <b>339,816,641</b>                       | <b>18,324,236</b>     | <b>(112,328,865)</b> | <b>1,040,121,328</b> |

### **32 Segment Reporting (Continued)**

Substantially all of the Group's operations and assets are located in the Republic of Kazakhstan.

Segment performance is evaluated based on both revenues and net profit, which are measured on the same basis as in the consolidated financial statements. Inter-segment transactions were made on terms agreed to between the segments that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

Eliminations represent the exclusion of intra-group turnovers.

During the six months ended 30 June 2024, the Group generated 50% of its revenues from PetroChina Group (six months ended 30 June 2023: 52%) and 5% from Gazprom Group (six months ended 30 June 2023: 3%).

### **33 Subsequent Events**

On 1 July, 2024, the Private Company CS-14-Qostanay Ltd. was registered at the Astana International Financial Center with 50% participation of QazaqGaz NC JSC and 50% of UCC Qazaqstan 5 LLC.

On 1 July, 2024, the Private Company Kashagan Gas Treatment Plant 2,5 BCMA Ltd. was registered at the Astana International Financial Center with 25% participation of QazaqGaz NC JSC and 75% of UCC Qazaqstan 2 LLC.

On 23 July, 2024, QG replenished the authorized capital of GPCI in the form of a cash contribution in the amount of 37,036,556 thousand tenge in accordance with the decision of the QG board of directors dated 28 June, 2024.

On 25 July and 6 August, 2024, the Group (GPCI) received 2 tranches from JSC Halyk Bank of Kazakhstan under the agreement on the provision of a credit line in the amount of US dollars 3,540 thousand (equivalent to Tenge 1,678,279 thousand) and US dollars 3,260 thousand (equivalent to Tenge 1,555,509 thousand) for the purpose of construction of a gas processing plant.