

**KAZAKHSTAN TEMIR ZHOLY
NATIONAL COMPANY JSC**

Condensed interim consolidated
financial statements
for three and nine months ended 30 September 2025
(unaudited)

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONTENTS

	Page
STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025	1
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS:	
Condensed interim consolidated statement of profit or loss and other comprehensive income	2-3
Condensed interim consolidated statement of financial position	4-5
Condensed interim consolidated statement of cash flows	6-7
Condensed interim consolidated statement of changes in equity	8
Notes to the condensed interim consolidated financial statements	9-51

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED) *(in millions of tenge, unless stated otherwise)*

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2025	2024	2025	2024
Revenue and other income					
Revenue from freight transportation	19	627.862	471.733	1.756.080	1.335.601
Revenue from passenger transportation	19	38.316	31.664	98.477	82.430
Government grants		10.818	10.136	32.095	29.181
Other income	20	28.361	35.226	91.782	102.922
Total revenue and other income		705.357	548.759	1.978.434	1.550.134
Cost of sales	21	(482.643)	(394.477)	(1.385.165)	(1.167.925)
Gross profit		222.714	154.282	593.269	382.209
General and administrative expenses	22	(41.049)	(32.900)	(104.825)	(88.337)
Finance income	23	54.103	4.796	71.858	36.921
Finance costs	23	(74.631)	(51.013)	(194.014)	(145.476)
Foreign exchange loss		(44.020)	(63.549)	(121.029)	(89.555)
Share of profit of associates and joint ventures	7	7	4.285	1.101	8.672
Recovery of impairment/(impairment) of financial assets and an asset under contracts with customers		1.836	(59)	(1.270)	1.352
(Impairment)/recovery of impairment of non-financial assets		(603)	92	(7.288)	(1.130)
Other gains or losses		(4.120)	(1.842)	(609)	4.822
Profit before taxes		114.237	14.092	237.193	109.478
Corporate income tax expense	4	(41.304)	(11.418)	(78.210)	(29.176)
Profit for the period		72.933	2.674	158.983	80.302

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED) (in millions of tenge, unless stated otherwise)

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2025	2024	2025	2024
Other comprehensive (loss)/income for the period, net of income tax:					
<i>Items that will be reclassified subsequently to profit or loss in the subsequent periods:</i>					
Loss on cash flow hedging instruments	13	(43.062)	-	(141.810)	-
Reclassification of the loss on cash flow hedging instruments to profit for the period	13,19	37.423	-	69.560	-
Corporate income tax on items that are subject to reclassification to profit or loss in subsequent periods	13	1.129	-	14.450	-
Exchange differences on translation of foreign operations into the reporting currency		1.095	(375)	8.288	1.797
Other comprehensive (loss)/income for the period		(3.415)	(375)	(49.512)	1.797
Total comprehensive income for the period		69.518	2.299	109.471	82.099
Profit for the period attributable to:					
Shareholder		72.192	2.120	156.015	78.189
Non-controlling interests		741	554	2.968	2.113
		72.933	2.674	158.983	80.302
Total comprehensive income for the period attributable to:					
Shareholder		68.777	1.745	106.503	79.986
Non-controlling interests		741	554	2.968	2.113
		69.518	2.299	109.471	82.099
Earnings per share, Tenge	24	145	4	314	157

On behalf of Management of the Group:


D.A. Kuserov
Finance Director


Y.B. Stankova
Chief Accountant

20 November 2025

20 November 2025

The notes below form an integral part of these condensed interim consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025 (in millions of tenge)

	Notes	30 September 2025 (unaudited)	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	5.299.274	4.782.227
Goodwill		15.520	15.520
Intangible assets		10.728	11.250
Investments in associates	7	58.971	48.678
Investments in joint ventures	7	12.016	1.396
Other non-current assets	8	928.539	647.483
Deferred tax assets		209	21
Total non-current assets		6.325.257	5.506.575
Current assets			
Cash and cash equivalents	9	325.834	198.578
Inventories	10	70.457	57.820
VAT receivable	4	255.655	120.475
Trade receivables	11	16.420	21.666
Income tax prepayment		5.432	7.899
Asset under contracts with customers		615	336
Other current assets	12	55.813	45.407
Total current assets		730.226	452.181
Total assets		7.055.483	5.958.756
EQUITY AND LIABILITIES			
Equity			
Charter capital		1.148.843	1.123.907
Hedging reserve	13	(96.370)	(38.570)
Foreign currency translation reserve		17.282	8.994
Retained earnings		1.058.316	856.709
Equity attributable to the Shareholder		2.128.071	1.951.040
Non-controlling interests		17.736	18.277
Total equity		2.145.807	1.969.317

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 30 SEPTEMBER 2025 (in millions of tenge)

	Notes	30 September 2025 (unaudited)	31 December 2024
Non-current liabilities			
Borrowings	14	2.796.393	1.840.423
Deferred tax liabilities		527.844	468.057
Lease liabilities	15	181.603	139.465
Employee benefit obligations		43.344	41.105
Other non-current liabilities	18	144.665	118.770
Total non-current liabilities		3.693.849	2.607.820
Current liabilities			
Borrowings	14	453.280	812.965
Trade payables	16	314.772	231.351
Liabilities under contracts with customers	17	117.988	133.170
Derivative financial instruments	13	107.889	32.697
Lease liabilities	15	39.777	35.517
Other taxes payable		31.698	15.694
Employee benefit obligations		7.598	7.598
Other current liabilities	18	142.825	112.627
Total current liabilities		1.215.827	1.381.619
Total liabilities		4.909.676	3.989.439
Total equity and liabilities		7.055.483	5.958.756

On behalf of Management of the Group:


D.A. Kusherov
Finance Director

20 November 2025


Y.B. Stankova
Chief Accountant

20 November 2025

The notes below form an integral part of these condensed interim consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED) *(in millions of tenge)*

	Notes	Nine months ended 30 September	
		2025	2024
Operating activities:			
Profit for the period		158.983	80.302
Adjustments for:			
Corporate income tax expenses recorded in profit or loss		78.210	29.176
Depreciation and amortization	8,21,22	144.269	124.928
Finance costs	23	194.014	145.476
Foreign exchange loss		121.029	89.555
Finance income	23	(71.858)	(36.921)
Reclassification of the loss on cash flow hedging instruments to profit for the period	13,19	69.560	-
Post-employment benefits and other long-term employee benefit expenses	21,22	8.542	6.448
Impairment of non-financial assets		7.288	1.130
Impairment/(recovery of impairment) of financial assets and an asset under contracts with customers		1.270	(1.352)
Share of profit of associates and joint ventures	7	(1.101)	(8.672)
Other		18.118	98
Operating income before changes in working capital and other balances		728.324	430.168
Change in trade receivables		(14.412)	(16.374)
Change in inventories		(12.535)	(4.841)
Change in other current and non-current assets (including long-term VAT recoverable)		(55.826)	(52.534)
Change in trade payables		73.419	21.750
Change in other taxes payable		12.382	2.681
Change in other liabilities and contract liabilities		(9.105)	(3.308)
Change in employee benefit obligations		(6.303)	(5.057)
Cash generated from operations before interest and income tax payments		715.944	372.485
Interest paid		(143.804)	(142.353)
Interest received		17.307	12.880
Corporate income tax paid		(9.863)	(3.884)
Net cash flows from operating activities		579.584	239.128

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED) (in millions of tenge)

	Notes	Nine months ended 30 September	
		2025	2024
Investing activities:			
Purchase of property, plant and equipment including advances paid for property, plant and equipment		(665.741)	(476.190)
Contributions to the charter capital of joint ventures without a change in ownership interest		(7.143)	(75)
Investments acquired in associates	7	(5.576)	-
Dividends received from an associate	7	3.480	2.944
Repayment of loans issued		1.972	2.746
Acquisition of other non-current assets		(1.945)	-
Proceeds from sale of other non-current assets		1.058	871
Other		(218)	608
Net cash used in investing activities		(674.113)	(469.096)
Financing activities:			
Loans obtained	14	731.338	553.691
Repayment of loans	14	(471.905)	(337.898)
Repayment of lease liabilities	14	(14.104)	(7.738)
Dividends paid to non-controlling interests in subsidiaries		(3.509)	(2.206)
Other		(13.950)	(5.545)
Net cash from financing activities		227.870	200.304
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents, beginning	9	198.578	204.614
Effect of exchange rate change on balance of cash and cash equivalents denominated in foreign currency		(6.075)	(1.931)
Effect of changes in expected credit loss allowance		(10)	5
Cash and cash equivalents, ending	9	325.834	173.024
Non-cash transactions:			
Purchase of property, plant and equipment from borrowed funds by direct bank transfer to the supplier	14	160.914	55.910

On behalf of Management of the Group:

D.A. Kusherov
Finance Director

Y.B. Stankova
Chief Accountant

20 November 2025

20 November 2025

The notes below form an integral part of these condensed interim consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

**CONDENSED INTERIM CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR NINE MONTHS ENDED 30 SEPTEMBER 2025
(in millions of tenge)**

	Charter capital	Hedging reserve	Foreign currency translation reserve	Retained earnings	Equity attributable to the Shareholder	Non-controlling interests	Total equity
As at 1 January 2024	1.110.634	-	7.220	623.698	1.741.552	17.504	1.759.056
Profit for the period	-	-	-	78.189	78.189	2.113	80.302
Other comprehensive income for the period	-	-	1.797	-	1.797	-	1.797
Total comprehensive income for the period	-	-	1.797	78.189	79.986	2.113	82.099
Other contributions (Note 13)	-	-	-	35.259	35.259	-	35.259
Dividends	-	-	-	-	-	(2.225)	(2.225)
As at 30 September 2024 (unaudited)	1.110.634	-	9.017	737.146	1.856.797	17.392	1.874.189
As at 1 January 2025	1.123.907	(38.570)	8.994	856.709	1.951.040	18.277	1.969.317
Profit for the period	-	-	-	156.015	156.015	2.968	158.983
Other comprehensive (loss)/income for the period	-	(57.800)	8.288	-	(49.512)	-	(49.512)
Total comprehensive (loss)/income for the period	-	(57.800)	8.288	156.015	106.503	2.968	109.471
Issue of share capital (Note 13)	24.936	-	-	-	24.936	-	24.936
Other contributions (Note 13)	-	-	-	45.592	45.592	-	45.592
Dividends	-	-	-	-	-	(3.509)	(3.509)
As at 30 September 2025 (unaudited)	1.148.843	(96.370)	17.282	1.058.316	2.128.071	17.736	2.145.807

On behalf of Management of the Group:

D.A. Kusherov
Finance Director

Y.B. Stankova
Chief Accountant

20 November 2025

20 November 2025

The notes below form an integral part of these condensed interim consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

1. GENERAL

Kazakhstan Temir Zholy National Company JSC (referred to as "the Company") was founded in the Republic of Kazakhstan (hereinafter "Kazakhstan") pursuant to the Resolutions of the Government of Kazakhstan (the "Ultimate Shareholder"). The Company's primary purpose is to serve as a holding entity for the management of state railway industry assets. The Company was registered on 15 May 2002. The condensed interim consolidated financial statements include the results of the operations of the Company and its wholly controlled subsidiaries (collectively – "the Group"). The address of the Company's registered office is 6 D. Konayev Str., Astana, 010000, Republic of Kazakhstan.

Samruk-Kazyna Sovereign Wealth Fund JSC ("the Shareholder") is the Company's sole shareholder.

The Group operates the state railway system, providing freight and passenger transportation services, the main railway network services, and ensuring the operation, maintenance, and modernization of the main railway network in Kazakhstan. As part of the regulation of the railway industry in Kazakhstan, the government sets tariffs for services related to the main railway network, as well as for railway freight transportation services (in accordance with the Kazakhstan Entrepreneurial Code) and passenger transportation on socially significant routes, partially subsidising the cost through government grants. The level of regulated tariffs differs based on the type of freight transported. The government does not regulate international transit and container freight transportation tariffs.

The Kazakhstan Ministry of the National Economy's Committee for the Regulation of Natural Monopolies ("CRNM") approved main railway network service tariffs for 2021-2025. Starting from January 2025 and 1 May 2025, there was a 2,6% and 35% increase in tariffs for mainline railway network services. Starting from 1 June 2025, increase in tariffs for locomotive traction services amounted to 14,2%. As a result, the average increase in the total regulated freight transportation tariffs for the nine months ended 30 September 2025 was 28% (for the nine months ended 30 September 2024: 12,7%).

The authorised body, represented by the Ministry of Transport of Kazakhstan, agreed to increase tariffs for the transportation of passengers on socially important interdistrict routes from 1 March 2025 by 7% (from 1 January 2024: 7%).

The Group's operations are not subject to significant seasonal fluctuations. Revenue from freight transportation remains relatively stable throughout the year; however, due to the seasonality of passenger transportation, an increase in revenue is typically expected in the second half of the year compared to the first half, primarily related to the vacation season occurring during the summer period.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

1. GENERAL (continued)

Operating environment (continued)

Emerging markets such as Kazakhstan are subject to economic, political, social, legal and legislative risks which are different from those of more developed markets. Laws and regulations affecting businesses in Kazakhstan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. Future direction of Kazakhstan development largely depends on tax and monetary policies of the government, adopted laws and regulatory acts as well as changes in the political situation in the country and worldwide.

In connection with the fact the Kazakhstan produces and exports large volumes of oil and gas, economy of Kazakhstan is vulnerable to changes in world prices for oil and gas. The global geopolitical situation continues to exert pressure on oil and gas prices across the world.

Also, the government expenses on major infrastructure projects and various socio-economic development programs have a significant impact on the country's economy.

The conflict between Russian Federation (hereinafter – “Russia”) and Ukraine escalated in early 2022. As a result, several countries introduced economic sanctions against Russia and Belarus, including measures to ban new investment and restrict interaction with major financial institutions and many state enterprises.

During the nine months ended 30 September 2025, the National Bank of the Republic of Kazakhstan increased the base rate from 15,25% to 16,5% per annum with a corridor of +/- 1,0 percentage points. In October 2025, the base rate was increased to 18% per annum with a corridor of +/- 1,0 percentage points. Thus, uncertainty still exists with respect to the future development of geopolitical risks and their impact on the Kazakhstan economy.

Management of the Group is monitoring developments in the economic and political situation in Kazakhstan and the world and taking measures it considers necessary to support the sustainability and development of the Group's business for the foreseeable future. The Group has liabilities denominated in foreign currencies, therefore, if the exchange rate increases, there is an increase in the foreign exchange loss. In general, the Group does not expect a significant negative impact from the current changes on the Group's business and operations, as freight rail traffic, including international (transit) freight transportation has not been suspended in either Kazakhstan or other countries. During the nine months ended 30 September 2025, the volume of freight transportation in transit route increased compared to the previous period.

However, the consequences of these events and related future changes may have a significant impact on the Group's operations.

The State controls Group structure and determines the long-term railway operating strategy in Kazakhstan.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

Going concern

These condensed interim consolidated financial statements of the Group have been prepared based on the going concern assumption. The continuity of operations implies the realization of assets and the settlement of liabilities in the course of normal business activities in the foreseeable future. As at 30 September 2025, the Group's current liabilities exceed current assets by 485.601 million tenge (31 December 2024: 929.438 million tenge). As at 30 September 2025, current liabilities include loans amounting to 453.280 million tenge, which are due for repayment within twelve months after the reporting date, including loans from the Shareholder amounting to 50.647 million tenge. At the same time, profit for the nine months ended 30 September 2025 amounted to 158.983 million tenge (for the nine months ended 30 September 2024: 80.302 million tenge), and cash inflow from operating activities amounted to 579.584 million tenge (for the nine months ended 30 September 2024: 239.128 million tenge).

The Group's management assessed the Group's cash flow needs, including its obligations to repay borrowings, as well as development plans. Historically, the Group has financed major investment projects using funds from the government of Kazakhstan and through borrowings, in addition to cash from operating activities. To realise Kazakhstan's transit potential, the Group continues to take measures to attract additional transit traffic and expand its influence on the multimodal transportation market. As at 30 September 2025, the Group has available credit lines with the following financial institutions: Halyk Bank of Kazakhstan JSC, ForteBank JSC and Citibank, with an unutilized balance totaling 303.534 million tenge. Management of the Group has been having discussions with investors to refinance borrowings due to be repaid within twelve months after the reporting date - the possibility of, and a positive decision from the discussions is considered to be high.

In assessing its going concern status, management also considered the Group's financial position, expected future performance and cash flows from operations, tariff growth, its borrowings, available credit facilities, its capital expenditure commitments, exchange rates and other risks that the Group is facing. Besides that, the Shareholder intends and able to render the Group continuous ongoing financial and operating support in the foreseeable future. After completing the relevant analysis and the available mitigating actions to management whereby management can carry out certain actions to improve the going concern and liquidity position of the Group, the management concluded that the Group has adequate resources to continue in operational existence and settle its liabilities and that the going concern basis is appropriate in preparing these condensed interim consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

2. BASIS OF PREPARATION (continued)

Basis of preparation

These condensed interim consolidated financial statements are unaudited and do not include all of the information required to be disclosed in the annual financial statements. The Group omitted disclosures, which would substantially duplicate the information contained in its audited annual consolidated financial statements for 2024 prepared in accordance with International Financial Reporting Standards (“IFRSs”), (for example significant judgments used in applying accounting policy and details of accounts, which have not changed significantly in amount or composition).

These condensed interim consolidated financial statements should be read in conjunction with the Group’s annual consolidated financial statements for 2024.

These condensed interim consolidated financial statements are based on the same accounting principles, accounting judgements, presentation methods and calculation methods as the consolidated financial statements of the Group as at 31 December 2024.

3. ADOPTION OF NEW AND REVISED STANDARDS

Adoption of new and revised standards

In the current year, the Group applied the Amendments to IFRS (IAS) 21 *Lack of Exchangeability*, which are effective for annual periods beginning on or after 1 January 2025. Their adoption has not had any significant impact on the disclosures or on the amounts reported in these condensed interim consolidated financial statements.

New and revised IFRS Standards in issue but not yet effective

At the date of issuance of these condensed interim consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Description of the standard and interpretation	Applicable to annual periods beginning on or after
Amendments to IFRS 10 and IAS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Date to be determined by the IASB
Amendments to IFRS (IFRS) 7 and IFRS (IFRS) 9 <i>Classification and Measurement of Financial Instruments, Contracts Referencing Nature-dependent Electricity</i> .	1 January 2026
Annual Improvements to IFRS Accounting Standards—Volume 11: <i>IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7</i>	1 January 2026
IFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

Management does not expect the adoption of the above standards to have a material impact on the Group's consolidated financial statements in future periods.

The management is in the process of analyzing the impact of IFRS 18 on the Group's consolidated financial statements.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

4. SIGNIFICANT ASSUMPTIONS AND SOURCES OF ESTIMATION UNCERTAINTY

Significant assumptions used in applying accounting policies

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the Group's annual consolidated financial statements for 2024 prepared in accordance with IFRSs.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Assessment of impairment indicators of property, plant and equipment

The Group assesses at each reporting date whether there is an indication that the carrying amount of property, plant and equipment may be impaired.

The assessment of whether there is an indication of assets impairment is based on a number of factors, such as a change in interest rates, growth expectations in the railway industry, future cash flow estimates, changes in the future availability of financing; technological obsolescence, discontinuance of services, current replacement costs and other changes in circumstances.

As at 30 September 2025, the Group performed the analysis of the above external and internal impairment indicators of property, plant and equipment, in particular, changes in interest rates, an analysis of the achievement of actual indicators in comparison with budgeted indicators, as well as an analysis of the transit freight turnover and changes in the exchange rate of tenge to the Swiss Franc, as the transit tariff is set in Swiss Francs

Assessing whether each of the external and internal factors is an impairment indicator requires significant management judgement. The key management judgment is based on the understanding that, in the context of the geopolitical situation and the disruption of traditional transport and logistics chains, the development of the country's transit potential is a key factor in stimulating transcontinental trade.

The management of the Group did not identify any events that occurred for the nine months ended 30 September 2025 that could be considered as an indicator of the impairment of the single cash generating unit as at 30 September 2025.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

4. SIGNIFICANT ASSUMPTIONS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Corporate income tax

For the purpose of the condensed interim consolidated financial statements, the Group calculates corporate income tax expense based on its best estimate of weighted average annual corporate income tax rate expected for the full financial year. The amounts accrued for corporate income tax expense in one interim period might be adjusted in the next interim period of the same financial year if there is a change in the estimate of the annual corporate income tax rate. For the nine months ended 30 September 2025, the corporate income tax expenses primarily consist of current income tax expenses amounting to 15.082 million tenge (for the nine months ended 30 September 2024: 9.705 million tenge) and deferred income tax expenses amounting to 62.651 million tenge (for the nine months ended 30 September 2024: 19.686 million tenge).

VAT recovery

As of each reporting date, the Group assesses the provision for the unrecoverable amount of VAT that arose from rendering of international transportation services. The Group cannot charge VAT to its customers and, accordingly, can only recover these amounts from the tax authorities.

According to the tax legislation of the Republic of Kazakhstan, up to 70% of the accrued VAT is eligible for reimbursement from the budget on a quarterly basis, after the submission of the tax return. The remaining portion of the accrued VAT is subject to reimbursement following a tax audit conducted within 5 years. During 2024, the Group performed an analysis of major vendors and found no evidence of unreliability according to the criteria of the VAT refund rules. Based on this analysis, the Group submitted a request for a thematic tax audit for the period from the 1st quarter of 2020 to the 4th quarter of 2023, amounting to 142,427 million tenge, with the aim of confirming the amounts of VAT excess and obtaining a refund. In January 2025, the Group received from the tax authorities a directive to conduct a tax audit aimed at confirming the excess VAT amounts from 1 January 2020 to 30 September 2024, in accordance with the tax legislation of the Republic of Kazakhstan. In April 2025, as a result of the tax audit, the tax authority confirmed the amount of VAT excess eligible for reimbursement from the budget for the period from the 1st quarter of 2020 to the 4th quarter of 2023, amounting to 137,949 million tenge. As at 30 September 2025, the Group recognized a provision of 4,478 million tenge for the unconfirmed excess VAT amount that is eligible for reimbursement from the budget for the period from the 1st quarter of 2020 to the 4th quarter of 2023.

The Group is reviewing information regarding the expected VAT refund received from its tax department, correspondence with government tax authorities, as well as historical data related to its refund. The actual amount of VAT refund may differ from the Group's estimates, which could have a significant impact on future operating results.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

4. SIGNIFICANT ASSUMPTIONS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

VAT recovery (continued)

As at 30 September 2025, the total carrying amount of VAT to be refunded amounted to 350.144 million tenge (31 December 2024: 315.184 million tenge), of which 255.655 million tenge (31 December 2024: 120.475 million tenge) was classified as current assets. The Group expects that the current portion of the VAT to be refunded will be returned by the tax authorities or offset against future VAT liabilities within 12 months after the reporting date, and believes that the total VAT to be refunded is fully recoverable.

5. SEGMENT INFORMATION

The Group's operating segments are based on services provided. The Group has two reportable segments, namely freight transportation and passenger transportation. All other operating segments, including mainly utilities, loading and unloading services, and vessel servicing, which in aggregate do not exceed quantitative thresholds, are thus not separately disclosed and combined into "Others".

Management of the Group tracks a number of segment profitability elements, such as profit before tax, profit for the period and gross profit. However, profit for the period is the primary measure used by management of the Group to allocate resources and assess segment performance.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

5. SEGMENT INFORMATION (continued)

The Group does not have a specific pricing policy for inter-segmental sales.

	For the three months ended 30 September 2025 (unaudited)					Total
	Cargo transportation	Passenger transportation	Reporting segments	Others	Consolidation	
Key operating indicators						
Revenue and other income						
Transportation revenue from third parties (Note 19)	627.862	38.316	666.178	-	-	666.178
Transportation revenue from intersegment transactions	489	26.299	26.788	-	(26.788)	-
Government grants	-	10.818	10.818	-	-	10.818
Other oncome from third parties	22.240	1.580	23.820	4.541	-	28.361
Other oncome from intersegment transactions	11.208	288	11.496	2.602	(14.098)	-
Total revenue and other income	661.799	77.301	739.100	7.143	(40.886)	705.357
Cost of sales	(451.900)	(64.665)	(516.565)	(6.878)	40.800	(482.643)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	(183.612)	(15.068)	(198.680)	(3.193)	-	(201.873)
<i>Fuel and lubricants</i>	(64.187)	(7.169)	(71.356)	(112)	-	(71.468)
<i>Repair and maintenance</i>	(50.797)	(11.543)	(62.340)	(211)	481	(62.070)
<i>Electrical energy</i>	(33.104)	(3.492)	(36.596)	(82)	63	(36.615)
<i>Works and services of production nature</i>	(38.551)	(7.007)	(45.558)	(1.177)	26.422	(20.313)
<i>Materials and supplies</i>	(14.395)	(1.971)	(16.366)	(663)	-	(17.029)
Gross profit	209.899	12.636	222.535	265	(86)	222.714
General and administrative expenses	(37.620)	(2.851)	(40.471)	(866)	288	(41.049)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	(22.521)	(2.007)	(24.528)	(685)	-	(25.213)
Finance income	55.584	2.231	57.815	213	(3.925)	54.103
Finance costs	(66.507)	(9.799)	(76.306)	(55)	1.730	(74.631)
Foreign exchange (loss)/gain	(39.745)	(5.635)	(45.380)	115	1.245	(44.020)
Share of profit/(loss) of associates and joint ventures	7	-	7	-	-	7
(Impairment)/recovery of impairment of financial assets and an asset under contracts with customers	(2.391)	14	(2.377)	(15)	4.228	1.836
Impairment of non-financial assets	(566)	(37)	(603)	-	-	(603)
Other gains and losses	(3.987)	69	(3.918)	(156)	(46)	(4.120)
Profit/(loss) before tax	114.674	(3.372)	111.302	(499)	3.434	114.237
Corporate income tax expense	(28.978)	(2.929)	(31.907)	(56)	(9.341)	(41.304)
Profit/(loss) for the period	85.696	(6.301)	79.395	(555)	(5.907)	72.933
Other key segment information						
Capital expenditures on property, plant and equipment	233.956	11.388	245.344	46	-	245.390
PPE depreciation	42.853	6.160	49.013	853	(1)	49.865

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

5. SEGMENT INFORMATION (continued)

	For the three months ended 30 September 2024 (unaudited)					
	Cargo transportation	Passenger transportation	Reporting segments	Others	Consolidation	Total
Key operating indicators						
Revenue and other income						
Transportation revenue from third parties (Note 19)	471.733	31.664	503.397	-	-	503.397
Transportation revenue from intersegment transactions	443	18.113	18.556	-	(18.556)	-
Government grants	-	10.136	10.136	-	-	10.136
Other income from third parties	28.274	2.496	30.770	4.456	-	35.226
Other income from intersegment transactions	9.612	338	9.950	2.763	(12.713)	-
Total revenue and other income	510.062	62.747	572.809	7.219	(31.269)	548.759
Cost of sales	(362.377)	(56.002)	(418.379)	(5.537)	29.439	(394.477)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(150.002)</i>	<i>(13.843)</i>	<i>(163.845)</i>	<i>(2.802)</i>	-	<i>(166.647)</i>
<i>Fuel and lubricants</i>	<i>(42.494)</i>	<i>(5.206)</i>	<i>(47.700)</i>	<i>(104)</i>	-	<i>(47.804)</i>
<i>Repair and maintenance</i>	<i>(50.023)</i>	<i>(11.265)</i>	<i>(61.288)</i>	<i>(384)</i>	1.856	<i>(59.816)</i>
<i>Electrical energy</i>	<i>(20.248)</i>	<i>(2.337)</i>	<i>(22.585)</i>	<i>(80)</i>	-	<i>(22.665)</i>
<i>Works and services of production nature</i>	<i>(27.881)</i>	<i>(6.180)</i>	<i>(34.061)</i>	<i>(1.058)</i>	16.376	<i>(18.743)</i>
<i>Materials and supplies</i>	<i>(10.773)</i>	<i>(2.026)</i>	<i>(12.799)</i>	<i>(17)</i>	-	<i>(12.816)</i>
Gross profit	147.685	6.745	154.430	1.682	(1.830)	154.282
General and administrative expenses	(27.911)	(3.249)	(31.160)	(2.126)	386	(32.900)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(16.944)</i>	<i>(1.844)</i>	<i>(18.788)</i>	<i>(678)</i>	-	<i>(19.466)</i>
Finance income	5.743	774	6.517	180	(1.901)	4.796
Finance costs	(48.256)	(3.391)	(51.647)	(56)	690	(51.013)
Foreign exchange (loss)/gain	(52.526)	(11.671)	(64.197)	80	568	(63.549)
Share of profit of associates and joint ventures	4.285	-	4.285	-	-	4.285
Recovery of impairment/(impairment) of financial assets and an asset under contracts with customers	92	(139)	(47)	(12)	-	(59)
Recovery of impairment of non-financial assets	1	80	81	11	-	92
Other gains and losses	(1.655)	(22)	(1.677)	(159)	(6)	(1.842)
Profit/(loss) before tax	27.458	(10.873)	16.585	(400)	(2.093)	14.092
Corporate income tax expense	(6.086)	(6.171)	(12.257)	(1.845)	2.684	(11.418)
Profit/(loss) for the period	21.372	(17.044)	4.328	(2.245)	591	2.674
Other key segment information						
Capital expenditures on property, plant and equipment	175.936	6.966	182.902	41.301	-	224.203
PPE depreciation	38.585	5.361	43.946	444	(1)	44.389

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

5. SEGMENT INFORMATION (continued)

	For the nine months ended 30 September 2025 (unaudited)					
	Cargo transportation	Passenger transportation	Reporting segments	Others	Consolidation	Total
Key operating indicators						
Revenue and other income						
Transportation revenue from third parties (Note 19)	1.756.080	98.477	1.854.557	-	-	1.854.557
Transportation revenue from intersegment transactions	1.569	78.677	80.246	-	(80.246)	-
Government grants	-	32.095	32.095	-	-	32.095
Other oncome from third parties	72.253	4.487	76.740	15.042	-	91.782
Other oncome from intersegment transactions	31.748	739	32.487	7.187	(39.674)	-
Total revenue and other income	1.861.650	214.475	2.076.125	22.229	(119.920)	1.978.434
Cost of sales	(1.297.444)	(188.046)	(1.485.490)	(18.564)	118.889	(1.385.165)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(561.081)</i>	<i>(48.131)</i>	<i>(609.212)</i>	<i>(9.732)</i>	-	<i>(618.944)</i>
<i>Fuel and lubricants</i>	<i>(159.519)</i>	<i>(21.416)</i>	<i>(180.935)</i>	<i>(721)</i>	-	<i>(181.656)</i>
<i>Repair and maintenance</i>	<i>(134.574)</i>	<i>(33.081)</i>	<i>(167.655)</i>	<i>(315)</i>	816	<i>(167.154)</i>
<i>Electrical energy</i>	<i>(88.105)</i>	<i>(8.893)</i>	<i>(96.998)</i>	<i>(344)</i>	63	<i>(97.279)</i>
<i>Works and services of production nature</i>	<i>(113.861)</i>	<i>(19.096)</i>	<i>(132.957)</i>	<i>(2.140)</i>	79.243	<i>(55.854)</i>
<i>Materials and supplies</i>	<i>(41.241)</i>	<i>(5.843)</i>	<i>(47.084)</i>	<i>(1.173)</i>	-	<i>(48.257)</i>
Gross profit	564.206	26.429	590.635	3.665	(1.031)	593.269
General and administrative expenses	(93.909)	(9.139)	(103.048)	(2.760)	983	(104.825)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(62.385)</i>	<i>(5.577)</i>	<i>(67.962)</i>	<i>(2.040)</i>	-	<i>(70.002)</i>
Finance income	76.834	5.124	81.958	484	(10.584)	71.858
Finance costs	(171.259)	(27.009)	(198.268)	(149)	4.403	(194.014)
Foreign exchange (loss)/gain	(109.455)	(15.543)	(124.998)	97	3.872	(121.029)
Share of profit of associates and joint ventures	1.101	-	1.101	-	-	1.101
Impairment of financial assets and an asset under contracts with customers (Impairment)/recovery of impairment of non-financial assets	(7.827)	527	(7.300)	12	-	(7.288)
Other gains and losses	(361)	103	(258)	(290)	(61)	(609)
Profit/(loss) before tax	253.865	(19.522)	234.343	1.016	1.834	237.193
Corporate income tax (expense)/benefit	(62.652)	(4.641)	(67.293)	66	(10.983)	(78.210)
Profit/(loss) for the period	191.213	(24.163)	167.050	1.082	(9.149)	158.983
Other key segment information						
Capital expenditures on property, plant and equipment	611.390	33.077	644.467	710	-	645.177
PPE depreciation (Note 6)	127.034	17.897	144.931	2.544	(2)	147.473

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

5. SEGMENT INFORMATION (continued)

	For the nine months ended 30 September 2024 (unaudited)					
	Cargo transportation	Passenger transportation	Reporting segments	Others	Consolidation	Total
Key operating indicators						
Revenue and other income						
Transportation revenue from third parties (Note 19)	1.335.601	82.430	1.418.031	-	-	1.418.031
Transportation revenue from intersegment transactions	1.248	54.167	55.415	-	(55.415)	-
Government grants	-	29.181	29.181	-	-	29.181
Other income from third parties	84.494	5.678	90.172	12.750	-	102.922
Other income from intersegment transactions	29.095	727	29.822	6.564	(36.386)	-
Total revenue and other income	1.450.438	172.183	1.622.621	19.314	(91.801)	1.550.134
Cost of sales	(1.077.692)	(165.500)	(1.243.192)	(15.410)	90.677	(1.167.925)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(464.080)</i>	<i>(40.967)</i>	<i>(505.047)</i>	<i>(8.582)</i>	-	<i>(513.629)</i>
<i>Fuel and lubricants</i>	<i>(122.365)</i>	<i>(18.978)</i>	<i>(141.343)</i>	<i>(665)</i>	-	<i>(142.008)</i>
<i>Repair and maintenance</i>	<i>(142.671)</i>	<i>(30.489)</i>	<i>(173.160)</i>	<i>(627)</i>	3.012	<i>(170.775)</i>
<i>Electrical energy</i>	<i>(57.657)</i>	<i>(6.315)</i>	<i>(63.972)</i>	<i>(387)</i>	1	<i>(64.358)</i>
<i>Works and services of production nature</i>	<i>(83.024)</i>	<i>(16.460)</i>	<i>(99.484)</i>	<i>(2.107)</i>	51.523	<i>(50.068)</i>
<i>Materials and supplies</i>	<i>(31.700)</i>	<i>(6.398)</i>	<i>(38.098)</i>	<i>(390)</i>	-	<i>(38.488)</i>
Gross profit	372.746	6.683	379.429	3.904	(1.124)	382.209
General and administrative expenses	(76.913)	(8.394)	(85.307)	(3.927)	897	(88.337)
<i>including:</i>						
<i>Personnel expenses, including taxes, deductions and provisions for unused vacations</i>	<i>(48.559)</i>	<i>(5.046)</i>	<i>(53.605)</i>	<i>(1.800)</i>	-	<i>(55.405)</i>
Finance income	39.598	1.732	41.330	1.119	(5.528)	36.921
Finance costs	(125.553)	(22.030)	(147.583)	(203)	2.310	(145.476)
Foreign exchange (loss)/gain	(77.647)	(12.735)	(90.382)	259	568	(89.555)
Share of profit of associates and joint ventures	8.672	-	8.672	-	-	8.672
Recovery of impairment/(impairment) of financial assets and an asset under contracts with customers	1.585	(276)	1.309	40	3	1.352
Impairment of non-financial assets	(518)	(607)	(1.125)	(5)	-	(1.130)
Other gains and losses	3.371	2.531	5.902	(140)	(940)	4.822
Profit/(loss) before tax	145.341	(33.096)	112.245	1.047	(3.814)	109.478
Corporate income tax expense	(28.504)	(938)	(29.442)	(1.883)	2.149	(29.176)
Profit/(loss) for the period	116.837	(34.034)	82.803	(836)	(1.665)	80.302
Other key segment information						
Capital expenditures on property, plant and equipment	557.277	91.918	649.195	41.462	-	690.657
PPE depreciation (Note 6)	109.783	15.020	124.803	1.271	(2)	126.072

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

5. SEGMENT INFORMATION (continued)

Geographical information of the Group

The Group generates its revenue from customers in multiple geographical regions. The table below shows revenue based on customer country of domicile:

	For three months ended 30 September		For nine months ended 30 September	
	2025 (unaudited)	2024 (unaudited)	2025 (unaudited)	2024 (unaudited)
Kazakhstan	675.473	526.414	1.902.320	1.489.633
Russia	12.379	10.822	30.623	28.455
CPR	11.486	7.318	27.630	19.564
Germany	627	1.470	3.715	5.558
Other	5.392	2.735	14.146	6.924
	705.357	548.759	1.978.434	1.550.134

Practically, all the Group's non-current assets are in Kazakhstan.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

6. PROPERTY, PLANT AND EQUIPMENT

	Rail track infrastructure	Buildings and constructions	Machinery and equipmen	Motor vehicles	Land	Others	Construction-in- progress	Total
Carrying amount as at 1 January 2025	1.536.109	350.284	277.382	2.124.128	3.892	11.088	479.344	4.782.227
Purchases	21	4.008	10.643	3.608	3	144	529.566	547.993
Contribution to the share capital (Note 13)	6.117	1.147	5.557	224	-	11.891	-	24.936
Lease additions	-	22	13	96.401	-	-	-	96.436
Lease modifications	-	1.053	(294)	161	-	-	-	920
Disposals	(2.734)	(1.661)	(3.600)	(4.887)	(1.087)	(290)	(340)	(14.599)
Depreciation expenses (Note 5)	(36.842)	(6.397)	(27.744)	(74.933)	-	(1.557)	-	(147.473)
Depreciation on disposals	1.334	851	2.775	4.717	-	289	-	9.966
¹ Other movements, transfers	26.797	18.501	9.326	250.557	-	(1.174)	(305.139)	(1.132)
Carrying amount as at 30 September 2025 (unaudited)	1.530.802	367.808	274.058	2.399.976	2.808	20.391	703.431	5.299.274
Cost	1.962.936	457.025	627.180	3.192.973	2.808	46.056	714.680	7.003.658
Accumulated depreciation and impairment	(432.134)	(89.217)	(353.122)	(792.997)	-	(25.665)	(11.249)	(1.704.384)
Carrying amount as at 30 September 2025 (unaudited)	1.530.802	367.808	274.058	2.399.976	2.808	20.391	703.431	5.299.274
Of which:								
Right of use assets:								
Cost	-	2.946	44.473	352.317	-	8.528	-	408.264
Accumulated depreciation and impairment	-	(1.367)	(26.603)	(19.371)	-	(6.786)	-	(54.127)
Carrying amount	-	1.579	17.870	332.946	-	1.742	-	354.137
Property, plant, and equipment subject to operating leases (Group as lessor)	-	1.018	-	58.782	-	-	-	59.800

¹ Other movements and transfers also include transfers to/from inventory, impairment/reversal of impairment.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

**NOTES TO CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025
(in millions of tenge, unless stated otherwise)**

6. PROPERTY, PLANT AND EQUIPMENT (continued)

	Rail track infrastructure	Buildings and constructions	Machinery and equipmen	Motor vehicles	Land	Others	Construction-in- progress	Total
Carrying amount as at 1 January 2024	1.415.744	313.465	247.974	1.607.550	3.871	10.500	195.375	3.794.479
Purchases	13	2.886	12.408	3.994	3	1.070	586.509	606.883
Lease additions	-	6	27.261	55.253	-	-	-	82.520
Lease modifications	-	117	-	(41)	-	-	-	76
Disposals	(146)	(967)	(37.725)	(403)	(5)	(291)	(1.210)	(40.747)
Depreciation expenses (Note 5)	(31.592)	(4.935)	(25.947)	(61.960)	-	(1.638)	-	(126.072)
Depreciation on disposals	112	441	35.069	401	-	262	-	36.285
² Other movements, transfers	25.416	87	12.659	325.494	-	782	(363.050)	1.388
Carrying amount as at 30 September 2024 (unaudited)	1.409.547	311.100	271.699	1.930.288	3.869	10.685	417.624	4.354.812
Cost	1.803.784	392.095	590.516	2.637.640	3.869	32.478	428.238	5.888.620
Accumulated depreciation and impairment	(394.237)	(80.995)	(318.817)	(707.352)	-	(21.793)	(10.614)	(1.533.808)
Carrying amount as at 30 September 2024 (unaudited)	1.409.547	311.100	271.699	1.930.288	3.869	10.685	417.624	4.354.812
Of which:								
Right of use assets:								
Cost	-	1.889	45.136	166.790	-	7.226	-	221.041
Accumulated depreciation and impairment	-	(1.078)	(18.343)	(10.185)	-	(4.197)	-	(33.803)
Carrying amount	-	811	26.793	156.605	-	3.029	-	187.238
Property, plant, and equipment subject to operating leases (Group as lessor)	-	330	-	89.145	-	-	-	89.475

² Other movements and transfers also include transfers to/from inventory, impairment/reversal of impairment.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

7. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

For the nine months ended 30 September, movements in investments in associates and joint ventures are presented as follows:

	2025	2024
Associates		
As at 1 January	48.678	38.989
Addition	5.576	-
Foreign currency translation	7.810	1.959
Share of profit	1.552	8.849
Dividends	(4.645)	(4.480)
As at 30 September (unaudited)	58.971	45.317
Joint ventures		
As at 1 January	1.396	1.579
Addition	13.719	75
Foreign currency translation	51	-
Adjustment of unrealised gain	(2.699)	-
Share of loss	(451)	(177)
Impairment	-	(231)
As at 30 September (unaudited)	12.016	1.246

As at 30 September 2025, the Group's unrecognized share of losses of the significant associate, Aktau Marine Northern Terminal LLP, amounted to 10.180 million tenge (31 December 2024: 3.795 million tenge).

During the nine months ended 30 September 2025, the Group, represented by its subsidiary KTZ Express JSC, made a cash contribution of 5.526 million tenge to the charter capital of the associate Aktau International Container Hub LLP, which is distributed among the Group, represented by its subsidiaries KTZ Express JSC and NC Aktau International Sea Trade Port JSC, and Shanghai (Hong Kong) Investment & Development Co. Ltd. As at 30 September 2025, the Group's ownership share in the associate was 34,27%. The remaining part of the Group's ownership stake, attributable to NC Aktau International Sea Trade Port JSC, in the amount of 3.053 million tenge will be contributed in the form of assets and cash and will be reflected in subsequent periods.

During the nine months ended 30 September 2025, the Group, represented by its subsidiary KedenTransService JSC, made a contribution of assets at fair value of 6.576 million tenge and an additional cash contribution without changing the ownership share of 7.000 million tenge to the charter capital of the Private Company Kazakh-Chinese Trade and Logistics Company (Almaty) Ltd., which is distributed between the Group and Xi'an Free Trade Port Construction and Operation Co., Ltd. The Group's ownership share in the joint venture was 55,85%.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

8. OTHER NON-CURRENT ASSETS

	30 September 2025 (unaudited)	31 December 2024
Advances paid for property, plant and equipment	765.837	384.165
VAT recoverable (Note 4)	111.504	207.246
Withholding corporate income tax	37.743	36.441
Investment properties	8.646	8.765
Other	4.413	6.006
Less: provision for VAT recoverable (Note 4)	(17.015)	(12.537)
Less: provision for withholding corporate income tax	(1.117)	(1.028)
Less: provision for advances to vendors for property, plant and equipment	(517)	(522)
Less: provision for other non-current non-financial assets	(72)	(72)
Total other non-financial assets	909.422	628.464
Restricted cash	14.733	13.932
Loans to employees	2.557	3.163
Bonds of second-tier banks in Kazakhstan and other credit institutions, as well as other debt securities	701	654
Other	1.567	1.757
Less: provision for expected credit losses on other non-current financial assets	(441)	(487)
Total other financial assets	19.117	19.019
	928.539	647.483

For the nine months ended 30 September 2025, the Group accrued depreciation expenses on investment properties amounting to 103 million tenge (for the nine months ended 30 September 2024: 109 million tenge).

Restricted cash primarily represents amounts in euros pledged as collateral for the long-term portion of loans obtained from HSBC Continental Europe. The restriction on the use of cash will be lifted upon repayment of these loans.

As at 30 September 2025 and 31 December 2024, advances paid for property, plant and equipment comprised the following:

	30 September 2025 (unaudited)	31 December 2024
Construction of the railway	368.766	128.984
Passenger carriages supply	206.074	163.047
Electro locomotive supplies	119.741	82.510
Diesel locomotive supplies	24.963	2.017
Modernization of railway station infrastructure	23.456	-
Capital repairs of the railway	12.474	-
Other	10.363	7.607
	765.837	384.165

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

9. CASH AND CASH EQUIVALENTS

	30 September 2025 (unaudited)	31 December 2024
Short-term deposits, in Tenge	243.069	61.779
Short-term bank deposits, in US Dollars	3.467	2.339
Cash on digital accounts, in Tenge	53.006	116.635
Cash in current accounts, in Tenge	11.100	7.326
Cash in current accounts with banks, in US Dollars	6.683	4.763
Cash in current bank accounts, Russian Rubles	4.252	2.484
Cash in current bank accounts, Chinese Yuan	3.728	2.070
Cash in current bank accounts, other currencies	540	1.182
Cash on hand	9	10
Less: provision for expected credit losses on cash and cash equivalents	(20)	(10)
	325.834	198.578

As at 30 September 2025 and 31 December 2024, cash on digital accounts represents programmable digital tenge only for the modernisation of the Dostyk-Moiynty railway transport corridor and received as part of the bonds issuance on the Kazakhstan Stock Exchange in favour of the Shareholder.

As at 30 September 2025, the weighted average interest rate on cash in current accounts was 4,76% in tenge and 0,25% in other currencies (31 December 2024: 8,19% in tenge and 0,16% in other currencies).

Short-term bank deposits in tenge and in other currencies are placed for various periods of up to three months, depending on the Group's cash needs. As at 30 September 2025, the weighted average interest rate on short-term bank deposits was 16,2% in tenge and 2,75% in US Dollars (31 December 2024: 14,9% in tenge and 3% in US Dollars).

As at 30 September 2025, the carrying amount of the Group's cash placed in current accounts and short-term deposits with Kazpost JSC and digital accounts in the National Bank of the Republic of Kazakhstan, which are related parties of the Group, amounted to 23.857 million tenge (31 December 2024: 1 million tenge) and 53.004 million tenge (31 December 2024: 116.631 million tenge), respectively (*Note 26*). In addition, the Group places cash and cash equivalents in banks and other financial institutions rated from A+ to B+. Based on this, the Group believes that its cash and cash equivalents credit risk as at 30 September 2025 is low.

The allowance for expected credit losses on cash and cash equivalents is based on 12-month expected credit losses, which matches their maturity date.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

10. INVENTORIES

	30 September 2025 (unaudited)	31 December 2024
Track structure materials (at cost)	25.722	15.648
Fuel and lubricants (at cost)	16.500	13.553
Raw and other materials (at cost)	15.869	15.454
Spare parts (at cost)	8.589	8.743
Construction materials (at cost)	1.572	1.453
Other (at cost)	3.506	4.409
	71.758	59.260
Less: allowance for inventory	(1.301)	(1.440)
	70.457	57.820

11. TRADE ACCOUNTS RECEIVABLE

	30 September 2025 (unaudited)	31 December 2024
Trade receivables from contracts with customers	19.531	24.288
Other trade receivables	1.127	885
Less: provision for expected credit losses of trade receivables from contracts with customers	(3.663)	(2.841)
Less: provision for expected credit losses on other trade receivables	(575)	(666)
	16.420	21.666

As at 30 September 2025 and 31 December 2024, trade receivables are denominated in the following currencies:

	30 September 2025 (unaudited)	31 December 2024
Tenge	10.277	6.853
US Dollars	5.464	14.743
Other currencies	679	70
	16.420	21.666

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

12. OTHER CURRENT ASSETS

	30 September 2025 (unaudited)	31 December 2024
Advances paid	13.879	20.183
Other taxes prepaid	8.064	6.190
Deferred expenses	1.538	2.690
Other	6.084	5.670
Less: provision for other taxes prepaid	(4.229)	(4.229)
Less: provision for impairment of advances paid	(2.543)	(2.665)
Less: provision for impairment of other current non-financial assets	(5.616)	(5.086)
Total other non-financial assets	17.177	22.753
Restricted cash	20.646	16.235
Grants	11.775	70
Claims, fines and penalties	2.268	2.409
Due from employees	1.857	1.416
Dividends receivable	1.223	-
Others	3.153	5.696
Less: provision for expected credit losses on other current financial assets	(2.286)	(3.172)
Total other financial assets	38.636	22.654
	55.813	45.407

Restricted cash primarily represents amounts in US dollars pledged as collateral for the short-term portion of loans obtained from Citibank. The restriction on the use of cash will be lifted upon repayment of these loans.

13. EQUITY

Contributions

Share issuance

During the nine months ended 30 September 2025, the Group issued 1.000 shares that were paid by non-current assets of total market value of 24.936 million tenge by the Shareholder (Note 6).

Other contributions

During the nine months ended 30 September 2025, the Group recognized the difference the fair value of the loan and the amount of the loan received from the Shareholder at the below market rate in the amount of 56.990 million tenge (nine months ended 30 September 2024: 44.074 million tenge) less the effect of deferred tax in the amount of 11.398 million tenge (nine months ended 30 September 2024: 8.815 million tenge) (Note 14).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

13. EQUITY (continued)

Hedging reserve

During 2024, the Group implemented a cash flow hedge to reduce the risk of changes in tenge equivalent revenue from freight transit transportation denominated in Swiss Francs, as part of two strategies. To confirm highly probable transactions, the Group relied on the existence of a history of cash flows from freight transit transportation in Swiss Francs, sufficient infrastructure, as well as a favourable geographical location for freight transit transportation. The Group has a monopoly in terms of access to the main railway network and dominates in freight transportation services.

Strategy 1 (effective from 1 October 2024)

Eurobonds with the nominal amount of 882,978,000 US Dollars issued in October 2022 on the Kazakhstan Stock Exchange in favour of the Shareholder, and due on 28 October 2025, as well as cross-currency swaps in the amount of 881,881,000 Swiss Francs with maturity date on 25 October 2025 were hedging instruments that were separately identifiable and reliably measurable. The hedged item in this respect was the probable revenue from freight transit transportation of 875,066,510 Swiss Francs for the period from 1 January 2025 to 22 October 2025.

In August 2025, due to the signing of a memorandum extending the maturity of Eurobonds from 2025 to 2028 and changing the coupon rate from 2% to 3% (*Note 14*), hedge accounting, where the hedging instrument were Eurobonds due on 28 October 2025, was discontinued. During the nine months ended 30 September 2025, the revenue from freight transportation in international (transit) route, which is the cash flow hedged item, was received, and respectively, the accumulated loss of 64.601 million tenge attributable to the hedging instrument was reclassified from other comprehensive loss to revenue from freight transportation (*Note 19*). The deferred income tax effect amounted to 12.920 million tenge.

For the nine months ended 30 September 2025, an effective portion of 44.034 million tenge, including the effective portion of the change in the fair value of the derivative financial instrument, was recognized in the hedging reserve in other comprehensive loss as a net loss on cash flow hedging instruments. The effect of deferred income tax amounted to 8.807 million tenge. The ineffective portion of 44.857 million tenge was recognized as finance costs (*Note 23*).

Strategy 2 (effective from 21 November 2024)

The principal amounts of the Group's loans totaling 1.070.208.399 Swiss francs, with fixed repayment schedules fully aligned with the projected revenue flows from freight transit transportation in Swiss francs, are hedging instruments that are separately identified and can be reliably measured. As at 30 September 2025, the carrying amount of loans was 590.623 million tenge (31 December 2024: 567.213 million tenge). The hedged items in these relationships are the highly probable revenue flows from freight transit transportation amounting to 1.070.208.399 Swiss francs for the period from 21 November 2024 to 15 November 2034, of which 139.167.166 Swiss francs pertains to 2025.

For the nine months ended 30 September 2025, an effective portion of 97.776 million tenge was recognized in the hedging reserve in other comprehensive loss as a net loss on cash flow hedging instruments. The deferred income tax effect amounted to 19.555 million tenge.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

13. EQUITY (continued)

Hedging reserve (continued)

Strategy 2 (effective from 21 November 2024) (continued)

During the nine months ended 30 September 2025, the revenue from freight transportation in international (transit) route, which is the cash flow hedged item, was received, and respectively, the accumulated loss of 4.959 million tenge attributable to the hedging instrument was reclassified from other comprehensive loss to revenue from freight transportation (Note 19). The deferred income tax effect amounted to 992 million tenge.

14. BORROWINGS AND BONDS

Borrowings and bonds, including accrued interest, which are accounted for at amortised cost consisted of the following:

	30 September 2025 (unaudited)		31 December 2024	
	Amount	Weighted average effective interest rate (%)	Amount	Weighted average effective interest rate (%)
<i>Borrowings with a fixed interest rate</i>				
Loans obtained	429.992		475.243	
- in Tenge	273.503	10,96	285.231	10,88
- in Euros	51.985	6,39	51.253	5,85
- in Russian rubles	104.504	7,91	79.276	9,02
- in Swiss Francs	-	-	59.483	3,40
Debt securities issued	1.215.713		1.207.802	
- in Tenge	772.801	12,07	759.017	11,78
- in US Dollars	442.912	6,65	448.785	6,42
<i>Floating interest rate borrowings</i>				
Loans obtained	1.520.216		886.253	
- in Tenge	36.236	18,42	40.232	19,24
- in Euro	371.159	6,00	217.682	7,34
- in Swiss Francs	1.078.744	2,16	628.339	3,04
- in Chinese Yuan	34.077	5,62	-	-
Debt securities issued	83.752		84.090	
- in Tenge	83.752	13,76	84.090	14,78
	3.249.673		2.653.388	
Current portion	453.280		812.965	
Non-current portion	2.796.393		1.840.423	
	3.249.673		2.653.388	

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

14. BORROWINGS AND BONDS (continued)

Loans obtained (continued)

Shareholder

During the nine months ended 30 September 2025, the Group represented by the Company, as part of the loan agreement with its Shareholder entered into on 19 May 2025 for financing the acquisition of passenger carriages, received the borrowed funds for the total of 65.480 million tenge. The interest on the loan is payable semi-annually at the interest rate of 0,05%. The principal amount is payable annually until fully repaid in 2055. The loan was provided at the interest rate that was below market and the fair value of the loan received was calculated based on the market rate of 12,35%. The Group recognised the loan adjustment to the market value in the amount of 56.990 million tenge minus the effect of deferred tax of 11.398 million tenge through equity within retained earnings as other transactions with the Shareholder (*Note 13*).

Societe Generale and Natixis

During nine months ended 30 September 2025, the Group, represented by KTZh – Freight Transportation LLP and KTZh – Passenger locomotives LLP, its subsidiaries, as part of its loan agreement with Societe Generale and Natixis and under the guarantee issued by BPIfrance, an export credit agency, dated 23 February 2023 to finance the acquisition of freight and passenger locomotives for a total amount of 627,110,893 Euros, borrowed 44.382.546 Euros (25.801 million tenge) (including the BPIfrance premium). The interest on the loan is paid semi-annually at the interest rate of Euribor 6m + 1.15%. The principal amount is repaid semi-annually until full repayment in 2035.

During nine months ended 30 September 2025, the Group, represented by KTZh – Freight Transportation LLP, its subsidiary, as part of its loan agreement with Societe Generale and Natixis and under the guarantee issued by BPIfrance, an export credit agency, dated 13 December 2024 to finance the acquisition of freight locomotives for a total amount of 770,000,000 Euros, borrowed 250.641.826 Euros (140.771 million tenge) (including the BPIfrance premium). The interest on the loan is paid semi-annually at the interest rate of Euribor 6m + 0.8%. The principal amount is repaid semi-annually until full repayment in 2035.

Citibank

During nine months ended 30 September 2025, the Group, represented by KTZh – Freight Transportation LLP, its subsidiary, as part of its loan agreement with Citibank and under the guarantee issued by US EXIM Bank, a US export and import bank, dated 7 May 2024 to finance the acquisition of freight and passenger locomotives for a total amount of 593,952,912 US dollars (in Swiss Francs equivalent), borrowed 86.498.042 Swiss Francs (49.328 million tenge) (including the US EXIM Bank premium). The interest on the loan is paid quarterly at the interest rate of SARON 3m + 0.75%. The principal amount is repaid quarterly until full repayment in 2035.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

15. BORROWINGS AND BONDS (continued)

Loans obtained (continued)

Citibank (continued)

During nine months ended 30 September 2025, the Group, represented by the Company, as part of its agreement with Citibank on credit line facility dated 4 April 2024, borrowed 150,000,000 Swiss Francs (94,943 million tenge) at the interest rate of SARON + 2% and with maturity within one year.

Deutsche Bank AG and Abu Dhabi Commercial Bank PJSC

In August 2025, the Group, represented by the Company, as part of the loan agreement with Deutsche Bank AG and Abu Dhabi Commercial Bank PJSC, dated 18 July 2025, to finance the construction of large railway infrastructure projects and the modernization of existing railway lines for a total amount of 600,000,000 US dollars (in Swiss Francs equivalent), borrowed 484,680,000 Swiss francs (324,954 million tenge). Interest is payable semi-annually at O/N SARON 6m + 1.6%. The principal is repayable in a single installment in July 2028.

The Export-Import Bank of China and China Development Bank

During nine months ended 30 September 2025, the Group, represented by KTZh – Freight Transportation LLP, its subsidiary, as part of its loan agreement dated 7 February 2025 with The Export-Import Bank of China and China Development Bank and under the guarantee issued by Sinasure (China Export & Credit Insurance Corporation) to finance the acquisition of main-line locomotives and pushers for the total of 3,560,188,615 Chinese yuan, borrowed 566.982.251 Chinese yuan (42.964 million tenge). The interest on the loan is paid semi-annually at the interest rate of LPR 5y - 0.55%. The principal amount is repaid semi-annually starting from 2028 until full repayment in 2040.

Halyk Bank of Kazakhstan JSC

During nine months ended 30 September 2025, the Group, represented by the Company and KTZh – Freight Transportation LLP, its subsidiary, under the credit line agreement with Halyk Bank of Kazakhstan JSC dated 26 February 2015, borrowed 120.000 million tenge at the interest rate of 16,75% to 18% and the maturity within one year. The Group made a partial early repayment of the loans received in the amount of 100.000 million tenge.

ForteBank JSC

During nine months ended 30 September 2025, the Group, represented by the Company and KTZh – Freight Transportation LLP, its subsidiary, under the credit line agreement with ForteBank JSC dated 13 June 2022, borrowed 60,000 million tenge at the interest rate of 18% and the maturity within one year. The Group made an early repayment of the loans received.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

14. BORROWINGS AND BONDS (continued)

Loans obtained (continued)

Citibank Kazakhstan JSC

In July 2025, the Group, represented by KTZh – Freight Transportation LLP, its subsidiary, as part of its Master Agreement with Citibank Kazakhstan JSC on short-term loans dated 30 November 2009, borrowed 14,000 million tenge at the interest rate of 18% and maturity of up to one year.

Debt securities issued

In August 2025, the Group, represented by the Company, as part of the issue of Eurobonds on the Kazakhstan Stock Exchange in favour of the Shareholder in the amount of 882.978.000 US Dollars, dated 28 October 2022, signed a memorandum extending the maturity of Eurobonds from 2025 to 2028 and changing the coupon rate from 2% to 3%. Coupon payment – twice a year. Due to an insignificant modification, the Group recognized the adjustment of the carrying value of the Eurobonds of 80.296.949 US Dollars (43.226 million tenge) within finance income (Note 23).

Fair values of loans are disclosed in Note 27.

Credit agreements and breaches of credit agreements

As at 30 September 2025, the Group's long-term borrowings with a carrying amount of 1.213.643 million tenge must comply with financial and non-financial coefficients (covenants) according to the terms of loan agreements. Under such terms, non-compliance may lead to repayment of long-term loans upon request.

As at 30 September 2025, the Group was in compliance with all applicable covenants, and management does not anticipate any breaches subsequent to the reporting date. Covenants to be tested after 30 September 2025 do not impact the classification of these borrowings as at that date.

Loan agreements with HSBC Continental Europe include financial covenant Net Debt to Equity (at the same time, concessional loans from the Shareholder should not exceed 50% of the total debt) calculated based on the annual consolidated financial statements of the Group. As at 31 December 2024, this covenant was met. In addition, the Group should comply with the covenant that the Company has any two of three corporate ratings (S&P, Fitch, Moody's) of at least BB. As at 30 September 2025, this covenant was met. As at 30 September 2025, the carrying value of this loan is 51.985 million tenge (31 December 2024: 51.253 million tenge).

Loan agreements with Societe Generale and Natixis include financial covenant Net Debt to Equity (at the same time, concessional loans from the Shareholder should not exceed 50% of the total debt) calculated based on the annual consolidated financial statements of the Group. As at 31 December 2024, this covenant was met. As at 30 September 2025, the carrying value of the loans is 371.159 million tenge (31 December 2024: 217.682 million tenge).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

14. BORROWINGS AND BONDS (continued)

Credit agreements and breaches of credit agreements (continued)

Loan agreement with EDB includes certain financial covenants such as Debt to EBITDA and Interest coverage ratio calculated semi-annually based on the consolidated results of the Group. In addition, the Group should comply with the covenant that the Company has any two of three corporate ratings (S&P, Fitch, Moody's) of at least BB. As at 30 September 2025, these covenants were met. As at 30 September 2025, the carrying amount of the loans is 104.504 million tenge (31 December 2024: 79.276 million tenge).

Loan agreement with Citibank and Santander under the MIGA guarantee includes compliance with certain financial covenants such as EBITDA to interest expense and Total debt to EBITDA (with the share of subsidiaries' debt to third parties not exceeding 35% of total debt) calculated based on the semi-annual consolidated results of the Group. As at 30 June 2025, these covenants were met. As at 30 September 2025, the carrying value of the loan is 284.603 million tenge (31 December 2024: 274.190 million tenge).

Loan agreement with EBRD includes compliance with financial covenant of Debt to EBITDA calculated based on the annual consolidated results of the Group. As at 31 December 2024, this covenant was met. As at 30 September 2025, the carrying amount of the loan is 110.140 million tenge (31 December 2024: 103.881 million tenge).

Under the loan agreement with Citibank under the guarantee of the Export-Import Bank of the United States (US EXIM Bank), as at the end of each financial year, the total aggregate assets and total revenue of the Company, Kaztemirtrans JSC, KTZ-Passenger Locomotives LLP and KTZ-Freight Transportation LLP must be equal to or greater than 75% of the Group's total aggregate assets and total revenue, respectively, calculated on the basis of the Group's annual consolidated results. As at 31 December 2024, these covenants were met. As at 30 September 2025, the carrying amount of the loan is 291.252 million tenge (31 December 2024: 220.910 million tenge).

Debt securities contain covenants that place certain limitations on the Company including, but not limited to, business changes and assets disposal, limitations on mergers and consolidations with other legal entities.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

**NOTES TO CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025
(in millions of tenge, unless stated otherwise)**

14. BORROWINGS AND BONDS (continued)

Reconciliation of changes in liabilities and cash flows from financing activity

	For the nine months ended 30 September 2025			For the nine months ended 30 September 2024		
	Borrowings and debt securities issued	Lease liabilities (Note 15)	Total	Borrowings and debt securities issued	Lease liabilities	Total
As at 1 January	2.653.388	174.982	2.828.370	2.117.547	71.506	2.189.053
Changes in connection with cash flows from financing activities						
Loan principal payments	(471.905)	-	(471.905)	(337.898)	-	(337.898)
Proceeds from borrowings	731.338	-	731.338	553.691	-	553.691
Lease liabilities payments	-	(14.104)	(14.104)	-	(7.738)	(7.738)
Total changes in connection with cash flows from financing activities	259.433	(14.104)	245.329	215.793	(7.738)	208.055
Other changes						
Effect of exchange rate change	121.418	(28)	121.390	87.507	(21)	87.486
Cash flow hedges	122.074	-	122.074	-	-	-
Acquisition of property, plant and equipment through borrowings directly transferred to the supplier	160.914	-	160.914	55.910	-	55.910
New lease agreements	-	56.549	56.549	-	56.819	56.819
Adjustment to the fair value of loans received from the Shareholder at rates lower than market (Note 13)	(56.990)	-	(56.990)	(44.074)	-	(44.074)
Interest costs and unwinding of discount, including capitalised	171.324	25.892	197.216	152.166	13.716	165.882
Interest paid	(124.270)	(18.932)	(143.202)	(129.297)	(8.721)	(138.018)
Effect of modifications or exchange of debt assets and liabilities that do not lead to derecognition (Note 23)	(43.226)	-	(43.226)	-	-	-
Other changes	(14.392)	(2.979)	(17.371)	(5.844)	(152)	(5.996)
Total other changes attributable to liabilities	336.852	60.502	397.354	116.368	61.641	178.009
As at 30 September (unaudited)	3.249.673	221.380	3.471.053	2.449.708	125.409	2.575.117

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

16. LEASE LIABILITIES

	30 September 2025 (unaudited)		31 December 2024	
	Lease payments	Present value of lease payments	Lease payments	Present value of lease payments
Within one year	44.034	39.777	38.423	35.517
From two to five years	182.288	107.147	141.989	83.387
Over five years	311.019	74.456	232.330	56.078
Total	537.341	221.380	412.742	174.982
Less: interest not received	(315.961)	-	(237.760)	-
Present value of lease liabilities	221.380	221.380	174.982	174.982
Less: amounts due within 12 months		(39.777)		(35.517)
The amount due for settlement after 12 months		181.603		139.465

As at 30 September 2025, interest calculations are based on effective interest rates of 2,5% to 22,05% (31 December 2024: 2,5% to 21,69%).

Lease liabilities are mainly denominated in tenge, except for lease liabilities for other equipment, which are denominated in US dollars.

Finance lease agreements (hereinafter – “lease agreements”) with Industrial Development Fund JSC

Flat carriages

In July 2024, the Group, represented by KTZ Express JSC, its subsidiary, entered into an agreement to lease 2,000 flat carriages with a total value of 63,356 million tenge and the interest rate of 13.75% per annum, of which 7% per annum is subsidised by the State. The grace period for the principal is 5 years. Group acts as a lessee.

During nine months ended 30 September 2025, within the framework of the agreement, the Group received 883 flat carriages and recognised right-of-use assets of 28.099 million tenge for 32 years and a lease liability of 17.055 million tenge for 15 years.

Freight open wagons

In July 2023, the Group, represented by Kaztemirtrans JSC, its subsidiary, entered into an agreement for the lease of 3,000 open wagons with a total value of 88,125 million tenge and an interest rate of 13.15% per annum, of which 6% per annum is subsidised by the State. The grace period for the principal is 2 years. Group acts as a lessee.

During nine months ended 30 September 2025, under this agreement, the Group received 1,069 open wagons and recognised right-of-use assets of 31.402 million tenge for 22 years and a lease liability of 22.473 million tenge for 13 years.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

15. LEASE LIABILITIES (continued)

Finance lease agreements (hereinafter – “lease agreements”) with Industrial Development Fund JSC (continued)

Passenger carriages

In May 2024, the Group, represented by Passenger Transportation JSC, its subsidiary, entered into an agreement for the lease of 157 passenger carriages with a total value of 103,432 million tenge and the interest rate of 13.75% per annum, of which 10% per annum is subsidised by the State. The grace period for the principal is 5 years. Group acts as a lessee.

During nine months ended 30 September 2025, under this agreement, the Group received 44 passenger carriages and recognised right-of-use assets of 29.052 million tenge for 40 years and a lease liability of 13.004 million tenge for 14 years.

In August 2024, the Group, represented by Passenger Transportation JSC, its subsidiary, entered into an agreement for the lease of 3 electric trains with a total value of 11,802 million tenge (taking into account the additional agreement dated 29 August 2024) and the interest rate of 14.5% per annum, of which 10% per annum is subsidised by the State. The grace period for the principal is 5 years. Group acts as a lessee.

During nine months ended 30 September 2025, under this agreement, the Group received 2 electric trains and recognised right-of-use assets of 7.848 million tenge for 40 years and a lease liability of 3.734 million tenge for 15 years.

The terms and conditions of lease agreements of the Group, represented by KTZ Express JSC, Passenger Transportation JSC and Kaztemirtrans JSC, its subsidiaries, with Industrial Development Fund JSC includes compliance with the financial covenant "Debt Security Coverage Ratio" calculated on the basis of the annual consolidated results of the Group. As at 31 December 2024, this covenant was met.

In addition, the requirements of the lease agreements of the Group, represented by KTZ Express JSC, Passenger transportation JSC and Kaztemirtrans JSC, its subsidiaries, with Industrial Development Fund JSC, incorporate (without limitation) restrictive terms with respect to the change in the legal status through voluntary liquidation; conclusion of a transaction or several transactions where the value exceeds 10–25% of the carrying amount of assets; sublease of lease subjects or a part of them. In the event of a default as defined by the lease agreements, the lessor is entitled to demand the indisputable requisition of the lease items

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

16. TRADE ACCOUNTS PAYABLE

	30 September 2025 (unaudited)	31 December 2024
Accounts payable for received inventory	116.131	52.106
Accounts payable for supply of PPE	113.753	86.906
Payables for services rendered	77.374	84.619
Other payables	7.514	7.720
	314.772	231.351

As at 30 September 2025 and 31 December 2024, trade accounts payable were denominated in the following currency:

	30 September 2025 (unaudited)	31 December 2024
Tenge	286.975	203.015
Euro	15.886	13.414
US Dollars	10.235	13.000
Other currencies	1.676	1.922
	314.772	231.351

17. OBLIGATIONS UNDER CONTRACTS WITH CUSTOMERS

	30 September 2025 (unaudited)	31 December 2024
Advances received under contracts with customers	102.464	117.973
Deferred income	15.524	15.197
	117.988	133.170

Revenue recognised in the reporting period, which was included in the balance of advances received and deferred income at the beginning of the year amounted to 122.206 million tenge (for the nine months ended 30 September 2024: 95.024 million tenge).

Liabilities under contracts with customers as at 30 September 2025 will be recognised as revenue within 12 months after the reporting date.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

18. OTHER LIABILITIES

	30 September 2025 (unaudited)	31 December 2024
Deferred income (government grants)	140.082	99.999
Compulsory pension contributions, social insurance contributions and mandatory health insurance contributions	15.470	14.302
Advances received	4.454	9.700
Other	5.952	3.079
Total other non-financial liabilities	165.958	127.080
Salary payables	41.729	18.966
Provisions for unused vacation and other employee benefits	37.527	40.069
Financial guarantee contract liabilities	25.255	27.449
Other	17.021	17.833
Total other financial liabilities	121.532	104.317
	287.490	231.397
Current portion of other liabilities	142.825	112.627
Non-current portion of other liabilities	144.665	118.770
	287.490	231.397

As disclosed in Note 25, the Group has provided financial guarantees to banks on loans received by Nursultan Nazarbayev International Airport JSC and Aktobe Rail and Section Mill Plant LLP, and has recognised obligations under financial guarantee agreements. As at 30 September 2025, liabilities under financial guarantee agreements amounted to 13.655 million tenge for Nursultan Nazarbayev International Airport JSC and 11.600 million tenge for Aktobe Rail and Section Mill Plant LLP (31 December 2024: 14.896 million tenge for Nursultan Nazarbayev International Airport JSC and 12.553 million tenge for Aktobe Rail and Section Mill Plant LLP).

As at 30 September 2025 and 31 December 2024, other financial liabilities were primarily denominated in tenge.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

19. REVENUE

For three months and nine months ended 30 September 2025 and 2024, revenue from freight transportation included:

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Revenue from contracts with customers:				
International (transit) routes	190.352	169.297	581.642	493.831
Domestic routes	190.909	140.312	490.585	366.427
International (export) routes	120.628	80.866	350.422	227.958
International (import) routes	75.635	49.497	198.477	140.425
Additional charges related to the transportation process	16.981	14.362	48.834	50.749
Other revenue from freight transportation	33.357	17.399	86.120	56.211
	627.862	471.733	1.756.080	1.335.601

For nine months ended 30 September 2025, the Group received international (transit) freight transportation revenue, which is the cash flow hedged item; therefore, the accumulated loss in the amount of 69.560 million tenge attributable to the hedging instrument was reclassified from other comprehensive loss to freight transportation revenue (*Note 13*).

Revenue from freight transportation is recognised over time.

For three months and nine months ended 30 September 2025 and 2024, revenue from passenger transportation included:

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Revenue from contracts with customers:				
Passenger transportation	33.362	27.133	85.350	69.940
Other revenue from passenger transportation	4.954	4.531	13.127	12.490
	38.316	31.664	98.477	82.430

Revenue from passenger transportation of 1.517 million tenge, attributable to a portion of other revenue from passenger transportation, was recognised at a point in time (for the nine months ended 30 September 2024: 1.276 million tenge), and 96.960 million tenge was recognised over time (for the nine months ended 30 September 2024: 81.154 million tenge).

Total revenue from contracts with customers for nine months ended 30 September 2025 amounted to 1.854.557 million tenge (for the nine months ended 30 September 2024: 1.418.031 million tenge).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

20. OTHER REVENUE

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Income from sale of goods and rendering of other services	17.444	16.001	51.234	41.718
Revenue from the lease of carriages	8.986	16.427	30.880	47.496
Income from fines	1.462	2.477	5.671	9.793
Revenue from the lease of other property, plant and equipment	469	321	3.997	3.915
	28.361	35.226	91.782	102.922

Revenue from the sale of goods and the provision of other services mainly consists of revenue from transshipment services, vessel servicing, repairs and maintenance of rail assets and the sale of materials and scrap metal.

The Group leases out carriages and other property, plant and equipment under operating lease agreements. Accounts receivable under operating leases are payable within one year. Operating leases do not include an extension or early termination option. The Group is not exposed to currency risk as a result of operating leases, as all leases are denominated in tenge. The lessee does not have an option to purchase carriages and other property, plant and equipment at the end of the lease term.

Revenue from fines is mainly represented by interest from the late dispatch of freight from destination stations and for a breach of contracts.

The major portion of other revenue is attributable to the Freight Transportation segment.

Revenue of 16.862 million tenge was recognised at a point in time (for the nine months ended 30 September 2024: 19.378 million tenge), and 40.043 million tenge – over time (for the nine months ended 30 September 2024: 32.133 million tenge).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

21. COST OF SALES

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Personnel costs, including taxes, deductions and provisions for unused vacations	201.873	166.647	618.944	513.629
Fuel and lubricants	71.468	47.804	181.656	142.008
Repair and maintenance	62.070	59.816	167.154	170.775
Depreciation and amortisation	47.829	42.790	142.222	122.022
Electrical energy	36.615	22.665	97.279	64.358
Works and services of production nature	20.313	18.743	55.854	50.068
Materials and supplies	17.029	12.816	48.257	38.488
Property tax and other taxes, excluding social tax and social contributions	7.804	7.430	23.806	22.553
Employee post-employment benefit expenses and other long-term employee benefits	1.778	2.302	8.164	6.073
Other expenses	15.864	13.464	41.829	37.951
	482.643	394.477	1.385.165	1.167.925

22. GENERAL AND ADMINISTRATIVE EXPENSES

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Personnel costs, including taxes, deductions and provisions for unused vacations	25.213	19.466	70.002	55.405
Property tax and other taxes, excluding social tax and social contributions	7.661	7.132	12.580	12.018
Other third-party services	1.689	1.371	3.955	2.834
Consulting, audit and legal services	966	597	2.582	1.895
Depreciation and amortisation	636	921	1.944	2.797
Business trip expenses	602	636	1.826	1.660
Rental expenses	376	295	1.155	832
Utilities and maintenance of buildings	281	227	908	858
Insurance	183	188	579	490
Telecommunication services	170	166	516	487
Employee post-employment benefit expenses and other long-term employee benefits	119	143	378	375
Bank charges	114	110	344	334
Expenses to maintain social sphere facilities	87	77	342	300
Charity	-	-	-	2.000
Other expenses	2.952	1.571	7.714	6.052
	41.049	32.900	104.825	88.337

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

23. FINANCE INCOME AND COSTS

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Finance income				
Effect of modifications or exchange of debt assets and liabilities that do not lead to derecognition (<i>Note 14</i>)	43.226	-	43.226	-
Interest on cash and cash equivalents	6.195	3.503	13.113	8.747
Interest rate state subsidies on financial liabilities	3.125	6.732	7.144	19.816
Interest income on derivative financial instruments recognised at fair value through profit or loss	27	-	4.542	5.016
Change in fair value of derivative financial instruments recognised at fair value through profit or loss	-	(6.351)	-	-
Other finance income	1.530	912	3.833	3.342
	54.103	4.796	71.858	36.921

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Finance costs				
Interest costs and unwinding of discount on loans	40.114	38.731	110.291	123.203
Interest expense on lease	9.848	4.888	25.892	13.716
Change in fair value of derivative financial instruments recognised at fair value through profit or loss	9.197	6.352	9.197	6.352
Other finance costs	1.757	1.042	3.777	2.205
	60.916	51.013	149.157	145.476
Loss from the ineffective part of hedging instruments (<i>Note 13</i>)	13.715	-	44.857	-
	74.631	51.013	194.014	145.476

24. EARNINGS PER SHARE AND THE CARRYING AMOUNT OF ONE SHARE

Basic earnings per share are calculated using the weighted average number of common shares issued during the period. Basic and diluted per share data are the same, as there are no dilutive instruments outstanding. As at 30 September 2025 and 31 December 2024, the Company had no outstanding antidilutive instruments.

	For three months ended 30 September		For nine months ended 30 September	
	2025 (audited)	2024 (audited)	2025 (audited)	2024 (audited)
Weighted average number of ordinary shares	496.694.666	496.693.666	496.694.860	496.693.666
Profit for the period attributable to the Shareholder	72.192	2.120	156.015	78.189
Earnings per common share, Tenge	145	4	314	157

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

24. EARNINGS PER SHARE AND THE CARRYING AMOUNT OF ONE SHARE (continued)

The carrying amount of one share as at 30 September 2025 and 31 December 2024 is as follows:

	30 September 2025 (unaudited)	31 December 2024
Net assets excluding intangible assets, goodwill and non-controlling interests	2.101.823	1.924.270
Quantity of common shares in circulation (registered)	496.695.666	496.694.666
Carrying amount of one share (tenge)³	4.232	3.874

25. FINANCIAL COMMITMENTS AND CONTIGENCIES

Capital commitments

As at 30 September 2025, the Group had investment liabilities, including the modernisation of the Dostyk-Moiynty railway transport corridor, the construction of the Darbaza-Maktaaral and Moiynty-Kyzylzhar railway lines, the construction of a bypass railway line bypassing the Almaty station, the upgrade of railway station infrastructure, liabilities under lease agreements with Industrial Development Fund JSC, overhaul of railway tracks, acquisition of equipment, long rails, freight and passenger electric locomotives, freight and passenger diesel locomotives, passenger carriages for a total amount of 4.347.735 million tenge (31 December 2024: 2.427.217 million tenge).

Other contractual liabilities

As at 30 September 2025, the Group, represented by KTZ Express JSC, its subsidiary, has an agreement in place to provide freight handling and freight storage services in the future. The agreement stipulates that the Group has to acquire a minimum volume of freight storage services for 10 years and make substantial payments for those services.

The Group's management believes that the service period under the Agreement with Aktau Marine North Terminal LLP has not yet commenced, because the Group has not been notified about the commencement date of commercial operations and service period, and the parties have not begun executing the obligations under the Agreement. The Group's management believes that as at 30 September 2025, the outflow of resources embodying economic benefits under this agreement is not highly probable.

³ The carrying amount is not presented because of IFRS requirements. The carrying amount is disclosed as required by KASE

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

25. FINANCIAL COMMITMENTS AND CONTINGENCIES (continued)

Contingent liabilities

Legal claims

The Group is subject to various legal proceedings related to its business operations, such as property damage claims. The Group does not believe that pending or threatened claims of these types, individually or in aggregate, are likely to have any material adverse effect on the Group's consolidated financial position, results of operations or cash flows.

Contingent liabilities related to the Kazakhstan tax system

Due to the uncertainties inherent in the Kazakhstan tax system, the potential amount of taxes, fines and late payment interest may exceed the amount expensed as at 30 September 2025 and 31 December 2024. It is not possible to determine the value of any unasserted claims that may be charged, if any, or the likelihood of any unfavourable outcome.

The Group's management believes that its interpretation of the Kazakhstan relevant legislation is appropriate, and the Group's tax positions will be sustained. However, tax authorities may take a different position on the interpretation of the effective Kazakhstan tax legislation, which may have a significant impact on the Group's consolidated financial statements.

Insurance

The insurance market is still in the early stages of development in Kazakhstan and, in common with other state-owned enterprises, the Group does not, with the exception of obligatory passenger insurance with regard to personal injury, death and loss or damage to passenger property, maintain any insurance against the risk of damage to any of its properties, assets or equipment (including infrastructure, rolling stock and stations) nor against business interruption or third party liability in respect of property or environmental damage arising from accidents to the Group's property or relating to the Group's operations. The Group maintains the required insurance coverage under policies purchased from commercial insurance operators in Kazakhstan.

Environmental protection

Legislation on environmental protection in Kazakhstan is in the process of development and therefore is subject to constant changes. From 1 July 2021, amendments to the Environmental Code of Kazakhstan (the "Code") have become effective. This Code includes a set of principles aimed at minimising the consequences of environmental damage from the activities of entities and/or the full restoration of the environment to its original state. Depending on the level and risk of the negative impact on the environment, assets are classified into four categories, where the assets that have a significant negative impact on the environment are classified into the first category. In accordance with the Code, the Group's management has analysed and classified the Group's assets that belong to rail track infrastructure into the second category. The sea port assets in Aktau city were also classified into the second category. The remaining assets of the Group were classified into the third and fourth categories. The Group's management believes that its interpretation of the relevant legislation of the Republic of Kazakhstan is appropriate.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

25. FINANCIAL COMMITMENTS AND CONTINGENCIES (continued)

Contingent liabilities (continued)

Environmental protection (continued)

No provision has been made in these condensed interim consolidated financial statements as the Group's management assesses that there are no potential asset retirement and land reclamation obligations that could have a material effect on the consolidated financial position, results of operations or cash flows of the Group.

Guarantees

As at 30 September 2025, guarantees were presented as follows:

Creditor	Purpose of the guarantee	Guarantee issue date	Guarantee period	Amount of guarantee
Development Bank of Kazakhstan JSC	Execute the obligations of the associate Aktobe Rail and Section Mill Plant LLP to finance the construction of a rail and section mill plant in Aktobe	4 July 2013	until 2033	14.850
Development Bank of Kazakhstan JSC	Execute the obligations of Nursultan Nazarbayev International Airport JSC to finance its modernisation in Astana	28 March 2018	until 2033	20.252

Note 18 discloses the carrying value of these guarantees.

As at 30 September 2025 and 31 December 2024, there were no cases of using the financial guarantees listed above.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

26. RELATED PARTY TRANSACTIONS

The nature of related party relationships for those related parties with which the Group entered into significant transactions or had significant balances outstanding as at 30 September 2025 (unaudited) and 31 December 2024 are detailed below.

		Shareholder	Associates	Companies making up the Shareholder group	Other related parties ⁴
Amounts due from related parties for goods, services and non-current assets, including advances paid	2025	-	1.272	350	2.968
	2024	-	2.162	211	5.202
<i>including provision for expected credit losses and impairment of advances paid</i>	2025	-	(13)	(1)	(163)
	2024	-	(30)	(4)	(150)
Amounts payable to related parties for goods, services and non-current assets, including advances received	2025	-	7.266	106.492	10.381
	2024	-	14.857	29.487	14.622
Cash and cash equivalents	2025	-	-	23.857	-
	2024	-	-	1	-
Cash on digital accounts	2025	-	-	-	53.004
	2024	-	-	-	116.631
Restricted cash	2025	-	-	-	4
	2024	-	-	-	197
Loans payable	2025	1.014.918	-	-	180.095
	2024	1.002.575	-	-	154.299
Lease liabilities	2025	134	23.325	-	193.535
	2024	-	31.296	-	140.393
Financial guarantee contract liabilities	2025	-	-	-	13.655
	2024	-	-	-	14.897
Dividends receivable	2025	-	1.223	-	-
	2024	-	-	-	-

⁴ Other related parties include National Bank of Kazakhstan and other commercial entities under common control and significant influence of the State.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

26. RELATED PARTY TRANSACTIONS (continued)

Related party transactions for nine months ended 30 September (unaudited) are as follows:

		Shareholder	Associates	Joint ventures	Companies making up the Shareholder group	Other related parties ⁴
Sale of goods, services and non-current assets	2025	-	79.544	-	24.007	91.772
	2024	-	86.767	-	20.112	75.154
<i>Recovered/(accrued) allowances for expected credit losses and impairment of advances paid</i>	2025	-	17	-	3	(59)
	2024	-	210	-	98	(44)
Purchase of goods, services and non-current assets	2025	-	17.743	-	139.645	84.980
	2024	-	18.998	-	76.424	53.113
Loans obtained	2025	65.480	-	-	-	-
	2024	64.516	-	-	-	37.956
Repayment of loans received	2025	1.175	-	-	-	8.256
	2024	1.175	-	-	-	5.713
New lease agreements (Group as lessee)	2025	247	22	-	-	56.267
	2024	-	27.261	-	-	29.552
Lease payments	2025	136	11.132	-	-	22.645
	2024	-	9.387	-	-	7.930
Finance income	2025	43.226	-	-	-	1.241
	2024	-	19	-	-	400
Finance costs	2025	23.170	3.432	-	-	33.013
	2024	26.968	4.471	-	-	18.333
Dividends receivable	2025	-	4.645	-	-	-
	2024	-	4.480	-	-	-
Contribution to the charter capital	2025	24.936	5.576	13.719	-	-
	2024	-	-	75	-	-

During the nine months ended 30 September 2025, the Group received a loan from the Shareholder in the amount of 65.480 million tenge (*Note 14*) (for the nine months ended 30 September 2024: issued bonds for the amount of 64.516 million tenge).

As at 30 September 2025, the Group has borrowings from Industrial Development Fund JSC, Development Bank of Kazakhstan JSC and EDB for a total of 180.095 million tenge (31 December 2024: 154.299 million tenge).

As at 30 September 2025, the Group's borrowings from the Shareholder were mainly received at rates below market varying from 0,05% to 9,25% (31 December 2024: from 0,075% to 9,25%) and maturity varying from 13 to 50 years and at initial recognition were reflected at fair value at rates from 6,53% to 14,5% (31 December 2024: from 6,53% to 14,5%).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

26. RELATED PARTY TRANSACTIONS (continued)

Transactions with the Shareholder group companies, associates and joint ventures and other related parties mainly comprise transactions with KazMunaiGas National Company JSC (diesel fuel and gasoline), Transtelecom JSC (telecommunication services, lease), Kazakhtelecom JSC (telecommunication services), Kazatomprom National Nuclear Company JSC (electricity), KEGOC JSC (electricity), Kazpost JSC (postal services, cash deposits), Kazakhstan Engineering National Company JSC (engineering production), Samruk-Energo JSC (electricity), Settlement and Financial Centre for Renewable Energy Support LLP (electricity), National Bank of the Republic of Kazakhstan (cash deposits). The Group also provides freight transportation services and lease of rolling stock to the Shareholder group companies, associates and joint ventures, as well as other related parties.

Compensation of key management personnel of the Group

As at 30 September 2025, key management personnel comprise members of the Group's Management Board and Board of Directors, totalling 16 persons (31 December 2024: 18 persons). Total compensation to key management personnel included in personnel costs in the consolidated statement of profit or loss and other comprehensive income comprised 783 million tenge for the nine months ended 30 September 2025 (for the nine months ended 30 September 2024: 584 million tenge). Compensation to key management personnel mainly consists of remunerations to members of the Board of Directors for participation in meetings, contractual salary costs, including related taxes and contributions, provision for unused vacation and other performance-based payments.

27. FINANCIAL INSTRUMENTS FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which an instrument could be exchanged between knowledgeable willing parties in an arm's length transaction, other than in a forced liquidation or distress sale. Since no readily available market mechanisms for determining fair value exist for a large part of the Group's financial instruments, assumptions based on current economic conditions and the specific risks attributable to the instrument must be used in measuring the fair value.

The fair value of derivative financial instruments was calculated by discounting expected future cash flows measured at forward exchange rates (observable as the reporting date) and contractual forward rates, discounted at the rates that reflect the Group's and the counterparties' credit risks.

These condensed interim consolidated financial statements use the same methods and assumptions to calculate the fair value of financial instruments as those use in the Group's consolidated financial statements as at 31 December 2024.

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

27. FINANCIAL INSTRUMENTS FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities not regularly measured at fair value (but fair value is mandatorily disclosed)

As at 30 September 2025 and 31 December 2024, the fair values of financial assets and financial liabilities, except for loans issued, borrowings and debt securities were not materially different from their carrying amounts. The carrying amounts and fair values of financial instruments as at 30 September 2025 and 31 December 2024 are presented as follows:

	30 September 2025 (unaudited)		31 December 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Loans issued	1.939	1.838	2.692	2.516
Other financial assets	36.485	36.547	31.218	30.069
Borrowings	1.950.208	1.929.954	1.361.496	1.337.391
Debt securities	1.299.465	1.075.239	1.291.892	1.208.326

Fair value hierarchy

The table below provides an analysis of financial instruments as at 30 September 2025 (unaudited) broken down into the fair value hierarchy levels.

	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- loans issued	-	1.838	-	1.838
- other financial assets	-	35.915	-	35.915
Financial assets recognised at fair value through profit or loss:				
- other financial assets	-	-	632	632
Total	-	37.753	632	38.385
Financial liabilities at amortised cost:				
- debt securities	-	292.943	-	292.943
- debt securities from the Shareholder	-	782.296	-	782.296
- bank loans	-	1.866.972	-	1.866.972
- loans from the Shareholder	-	62.982	-	62.982
Financial liabilities recognised at fair value through profit or loss:				
- derivative financial instruments	-	107.889	-	107.889
Total	-	3.113.082	-	3.113.082

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (in millions of tenge, unless stated otherwise)

27. FINANCIAL INSTRUMENTS FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The table below provides an analysis of financial instruments as at 31 December 2024 broken down into the fair value hierarchy levels.

	Level 1	Level 2	Level 3	Total
Financial assets at amortised cost:				
- loans issued	-	2.516	-	2.516
- other financial assets	-	29.437	-	29.437
Financial assets recognised at fair value through profit or loss:				
- other financial assets	-	-	632	632
Total	-	31.953	632	32.585
Financial liabilities at amortised cost:				
- debt securities	-	347.515	-	347.515
- debt securities from the Shareholder	-	860.811	-	860.811
- bank loans	-	1.268.631	-	1.268.631
- loans from the Shareholder	-	68.760	-	68.760
Financial liabilities recognised at fair value through profit or loss:				
- derivative financial instruments	-	32.697	-	32.697
Total	-	2.578.414	-	2.578.414

The fair values of the financial assets and financial liabilities in levels 2 and 3 have been determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the counterparty credit risk and market forward exchange rates for derivative financial instruments.

For the nine months ended 30 September 2025, there were no transfers between levels in the fair value hierarchy.

28. EVENTS AFTER THE REPORTING DATE

Dividends receipt

On 9 October 2025, the Group received dividends for the 1st half 2025 of 165.203.085 Russian roubles (1.092 million tenge) from United Transport and Logistics Company – Eurasian Rail Alliance JSC, its associate.

Derivative financial instruments

In October 2025, the Group, under cross-currency swap agreements, concluded in October and November 2022, received cash from Societe Generale SA (France), Citibank London and J.P. Morgan Securities plc. (UK) in the total amount of 8.782.773 US Dollars (4.677 million tenge) and of 2.256.266 Swiss Francs (1.525 million tenge).

KAZAKHSTAN TEMIR ZHOLY NATIONAL COMPANY JSC

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 *(in millions of tenge, unless stated otherwise)*

28. EVENTS AFTER THE REPORTING DATE (continued)

Loans obtained

On 22 October 2025, the Group, represented by KTZh – Freight Transportation LLP, its subsidiary, as part of its loan agreement dated 7 February 2025 with The Export-Import Bank of China and China Development Bank and under the guarantee issued by Sinasure (China Export & Credit Insurance Corporation) to finance the acquisition of main-line locomotives and pushers for the total of 3,560,188,615 Chinese yuan, borrowed 4.734.018 Chinese yuan (358 million tenge). The interest on the loan is paid semi-annually at the interest rate of LPR 5y - 0.55%. The principal amount is repaid semi-annually starting from 2028 until full repayment in 2040

Share issuance

In November 2025, the Group issued 10 shares that were paid by non-current assets of total market value of 3.855 million tenge by the Shareholder.