

Independent auditor's report

To the Shareholder and the Board of Directors of Kumtor Gold Company CJSC

Opinion

We have audited the financial statements of Kumtor Gold Company CJSC (hereinafter, the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

Emphasis of Matter

We draw attention to information stated in *Note 28* to the financial statements, namely to significant scope of Company's transactions with related parties. We do not express a modified opinion in connection with this matter.

Responsibilities of management and the Board of Directors for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Paul Cohn
Auditor / General Director
Ernst & Young Audit LLC



Qualification certificate of the auditor:
Series A No. 0366, registration number
No. 0446 of 22 October 2018
Individual registration number
No. 11030 dated 11 July 2023

Individual registration number Ernst & Young
Audit LLC in the Unified State Register of
Auditing Organizations admitted to auditing
entities of public interest, large businesses
No. 2100201 dated 22 June 2023, issued by
the Service for Regulation and Supervision of
the Financial Market under the Ministry of
Economy and Commerce of the Kyrgyz Republic

Toktogul str. 125/1, 720001,
Bishkek, Kyrgyz Republic

10 March 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**For the year ended 31 December 2024**

<i>In thousands of United States Dollars</i>	Notes	2024	2023
Revenue from contracts with customers	4	989,128	848,975
Cost of sales	5	(411,106)	(362,780)
Gross profit		578,022	486,195
General and administrative expenses	6	(13,824)	(12,124)
Taxes	7	(177,745)	(151,377)
Exploration costs	8	(2,738)	(5,087)
Regional Development and Nature Development Fund	9	(5,935)	(7,512)
Recovery/(accrual) of expected credit losses	11	10,805	(6,673)
Other operating income		–	978
Other operating expenses		(9)	(5)
Operating profit		388,576	304,395
Finance income	12	16,591	11,997
Finance costs	12	(4,626)	(3,733)
Social development contributions	13	(3,592)	(1,946)
Other income		1,597	2,087
Other expenses		(1,432)	(1,174)
Foreign exchange gain/(loss), net		289	(9,091)
Profit for the year		397,403	302,535
Other comprehensive income		–	–
Total comprehensive income for the year		397,403	302,535

Signed on behalf of Management of the Company:


 Buzurman Subanov
 Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


 Talaigul Bukarbaeva
 Deputy Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


 Asel Duishenalieva
 Chief Accountant
 10 March 2025
 Bishkek, Kyrgyz Republic

The explanatory notes on pages 5-38 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

<i>In thousands of United States Dollars</i>	<i>Notes</i>	31 December 2024	31 December 2023
Assets			
Non-current assets			
Property, plant and equipment	14	732,406	666,419
Inventories	18	317,772	230,204
Reclamation trust fund	25	63,583	63,224
Prepayments	15	12,386	38,871
Deposits	16	5,140	6,447
Long-term loans given	17	1,078	1,053
		1,132,365	1,006,218
Current assets			
Inventories	18	102,332	144,204
Supplies and prepayments	19	190,796	197,280
Trade and other receivables	20	139,052	110,786
Deposits	16	12,025	1,796
Cash and cash equivalents	21	325,941	155,216
		770,146	609,282
Total assets		1,902,511	1,615,500
Equity			
Share capital	24	3	3
Additional paid-in capital	24	45,000	45,000
Retained earnings		1,707,419	1,461,314
Total equity		1,752,422	1,506,317
Liabilities			
Non-current liabilities			
Provision for site restoration	25	62,883	59,867
Lease liabilities		-	804
		62,883	60,671
Current liabilities			
Trade and other payables	22	26,015	22,599
Other taxes payable	23	61,191	25,731
Lease liabilities		-	182
		87,206	48,512
Total liabilities		150,089	109,183
Total equity and liabilities		1,902,511	1,615,500

Signed on behalf of Management of the Company:


Buzurman Subanov
 Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


Talaigul Bukarbaeva
 Deputy Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


Asel Duishenalieva
 Chief Accountant
 10 March 2025
 Bishkek, Kyrgyz Republic

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STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

<i>In thousands of United States Dollars</i>	<i>Notes</i>	2024	2023
Cash flows from operating activities			
Profit for the year		397,403	302,535
Adjustments for:			
Depreciation and depletion	14	166,259	281,638
Inventories written off to net realizable value		4,001	2,188
Recovery/(accrual) of expected credit losses	11	(10,805)	6,673
Finance income	12	(16,591)	(11,997)
Finance costs	12	4,626	3,733
Foreign exchange gain/(loss)		(289)	9,091
Other operating income		-	(978)
Other expenses		1,432	1,174
Loss/(gain) on disposal of property, plant and equipment		472	(72)
		546,508	593,985
Change in inventories		(45,696)	(200,833)
Change in supplies and prepayments		2,483	80,742
Change in trade and other receivables		(15,829)	(77,085)
Change in trade and other payables		3,416	(23,786)
Change in taxes payable		35,988	(2,095)
		526,870	370,928
Interest received		15,551	11,439
Net cash flows from operating activities		542,421	382,367
Cash flows from investing activities			
Purchase of property, plant and equipment		(208,771)	(221,251)
Proceeds from deposit		2,015	450
Placement of deposit		(10,272)	-
Placement of loans given	17	-	(1,053)
Allocation to reclamation trust fund		(326)	(9,289)
Net cash flows used in investing activities		(217,354)	(231,143)
Cash flows from financing activities			
Payment of lease liabilities		(170)	(471)
Dividends paid	24	(151,298)	(109,224)
Payments to shareholders		-	(3,000)
Cash flows used in financing activities		(151,468)	(112,695)
Net increase in cash and cash equivalents		173,599	38,529
Effect of exchange rates changes on cash and cash equivalents		(1,542)	(6,442)
Effect of expected credit loss on cash and cash equivalents	11	(1,332)	(484)
Cash and cash equivalents at 1 January		155,216	123,613
Cash and cash equivalents at 31 December	21	325,941	155,216

Signed on behalf of Management of the Company:


 Buzurman Subanov
 Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


 Talaigul Bukarbaeva
 Deputy Chairman of the Board
 10 March 2025
 Bishkek, Kyrgyz Republic


 Asel Duishenalieva
 Chief Accountant
 10 March 2025
 Bishkek, Kyrgyz Republic

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STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

<i>In thousands of United States Dollars</i>	Share capital	Additional paid in capital	Retained earnings	Total
As at 1 January 2023	3	45,000	1,272,879	1,317,882
Profit for the year	–	–	302,535	302,535
Total comprehensive income for the year	–	–	302,535	302,535
Dividends declared	–	–	(109,224)	(109,224)
Payments to shareholders	–	–	(4,876)	(4,876)
As at 31 December 2023	3	45,000	1,461,314	1,506,317
Profit for the year	–	–	397,403	397,403
Total comprehensive income for the year	–	–	397,403	397,403
Dividends declared	–	–	(151,298)	(151,298)
As at 31 December 2024	3	45,000	1,707,419	1,752,422

Signed on behalf of Management of the Company:



Buzurman Subanov
Chairman of the Board
10 March 2025
Bishkek, Kyrgyz Republic



Talaigul Bukarbaeva
Deputy Chairman of the Board
10 March 2025
Bishkek, Kyrgyz Republic



Asei Duishenalieva
Chief Accountant
10 March 2025
Bishkek, Kyrgyz Republic

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