



Message from the Chairman of the Management Board

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“ SAMRUK-ENERGY JSC REMAINS THE KEY ENERGY COMPANY IN THE COUNTRY, PROVIDING INDUSTRY AND THE POPULATION WITH AFFORDABLE ELECTRICITY AND HEAT AND RELIABLE ENERGY SUPPLY.

Kairat Maksutov

Chairman of the Management Board
of Samruk-Energy JSC

We are proud to present the annual report of Samruk-Energy JSC, which reflects our development and strengthening of the country's energy system, ensuring sustainable development and responding to the growing needs of our country's economy.

In 2023, the Company continued to demonstrate strong operational and financial results. Electricity generation for 2023 amounted to 35.33 billion kWh, representing more than 31% of the country's total electricity generation. The volume of heat supply for 2023 amounted to 5,794 thousand Gcal. Samruk-Energy JSC remains the key energy company in the country, providing industry and the population with affordable electricity and heat and reliable energy supply.

Revenues for 2023 amounted to KZT 444.96 billion, which exceeds the figure for 2022 by 17% — the growth is associated, among other things, with increased sales of electricity and heat. Net profit increased by 43% to KZT 43.1 billion (profit before minority interest KZT 43.7 billion or 44%). In comparison with peer companies, Samruk-Energy JSC demonstrates a high EBITDA margin — 36% in 2023, which reflects a high level of efficiency in the Company's operations. The financial stability of the Company allows it to fully fulfill its obligations to employees, partners, society, and the state, as well as to maintain investment attractiveness for shareholders.

We continue to transform the energy sector, working on several initiatives to modernize, expand and refurbish power and heat plants and infrastructure.

In 2023, the construction of a new 110/10-10 kW Kokozek substation in Almaty region was completed. The project will solve the problem of the deficit of free transformer capacity in the region and provide electricity to the Industrial Zone in Karasai district. The substation will provide reliable and stable power supply to small and medium-sized businesses and support the construction of social and cultural facilities in the region.

The project to switch to a cyclic-flow technology of coal mining, transportation and loading at the Bo-

gatyr open-pit mine increased the capacity of the mine from 32 to 40 million tons of coal per year.

Employees are the highest value and key success factor for the Group of companies of Samruk-Energy JSC, and we are working on the continuous development of the personnel management system. Today the Company employs approximately 17.9 thousand people. We ensure decent labor conditions and social support for employees, and the observance of their rights at all stages of their career path. One of our priorities is personnel development, and a comprehensive training system has been developed for this purpose. Investments in training in 2023 amounted to over KZT 440 million.

We continue to work on a number of projects aimed at reducing our environmental impact. In particular, in 2023, we launched projects to build new combined cycle gas turbines at CHPP-2 and CHPP-3 in Almaty to replace outdated pulverized coal equipment with modern, environmentally friendly combined cycle gas turbines, which will significantly reduce environmental impact.

To develop environmental monitoring, an automated system for monitoring emissions into the environment was introduced in test mode at EGRES-2 JSC. In the future, it is planned to introduce automation of environmental indicators in all major production companies.

In 2024, we expect a significant increase in power generation volumes, thanks to the commissioning of a new power unit and other important projects. In addition, we aim to further strengthen our sustainability initiatives by actively implementing innovative technologies and practices that will help minimize our environmental footprint and improve resource efficiency. These steps not only improve our operational efficiency but also significantly enhance our contribution to conservation, reinforcing our responsibility to future generations.

Thank you for your trust and support. Together we are moving toward a brighter future!