JSC “Navoi Mining and Metallurgical Company”

Financial statements
for the year ended 31 December 2024

JSC “NAVOI MINING AND METALLURGICAL COMPANY”

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JSC "NAVOI MINING AND METALLURGICAL COMPANY"

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Management of Joint Stock Company "Navoi Mining and Metallurgical Company" (the "Company") is responsible for the preparation of these financial statements that fairly present in all material respects the financial position of the Company as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year ended 31 December 2024, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

In preparing the financial statements, management is responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- compliance with the requirement of IFRS Accounting Standards and providing additional disclosures when compliance with the specific requirements of IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- making an assessment of the Company's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls, throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that these financial statements of the Company comply with IFRS Accounting Standards;
- maintaining statutory accounting records in compliance with the legislation and accounting standards of the Republic of Uzbekistan;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- detecting and preventing fraud and other irregularities.

The financial statements of the Company for the year ended 31 December 2024 were approved by management on 10 April 2025.

On behalf of Management:

Khasanov J.T. Deputy General Director for Economy and Finance	**Novikova J.V.** Chief Accountant

Deloitte.

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Audit organization LLC
75 Mustakillik Avenue
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Republic of Uzbekistan

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Supervisory Board of JSC "Navoi Mining and Metallurgical Company"

Opinion

We have audited the financial statements of JSC "Navoi Mining and Metallurgical Company" (the "Company"), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2024, 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 ended 31 December 2024 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

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' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Uzbekistan, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Erkin Ayupov, Qualified Auditor/Engagement Partner

Why the matter was determined to be a key audit matter	How the matter was addressed in the audit
Ore Reserves Estimation	
Ore reserves serve as a foundation for the Company as it represents the basis for its future viability. Moreover, ore reserves are critical in making accounting decisions as they underpin the calculation of depreciation for mineral rights and stripping assets that represent 44% of total assets, and are fundamental in determining the life of mines, which is a key factor in assessing these assets for impairment. The management of the Company has decided to revisit its estimates of ore reserves and updated their significant portion in accordance with the Joint Ore Reserves Committee Code (JORC) as at 1 January 2024. Ore reserves estimation is an area of significant estimation uncertainty due to the high degree of judgement and technical assumptions made by management and geological experts. In addition, the process is inherently complex as it heavily relies on geological, engineering and economic factors. Due to the significant impact of ore reserves on material account balances as well as the subjectivity of judgements used by management in their estimation, we identified it as a key audit matter. Refer to Notes 3.2, 4.2.1 and 9 to the financial statements for information on the Company's critical accounting judgements and key sources of estimation uncertainty and disclosures related to mineral rights and stripping assets.	Our audit procedures with respect to the estimation of ore reserves included, but were not limited to: ▪ Obtaining an understanding of the Company's internal processes and relevant controls management has in place in relation to the estimation of ore reserves. ▪ Assessing the competence, capabilities, objectivity and independence of the geological experts the Company's management has engaged in ore reserves estimation. ▪ Engaging an internal mining advisory expert to review and assess the reasonableness of the judgements and assumptions used in estimation of ore reserves, including the geological modelling, mineral resources estimation and their classification, and life of mine assessments. ▪ Reviewing documentation regarding the Company's extraction plans and board minutes to assess the rationale behind changes and impairment indicators. ▪ Performing sensitivity analysis on key assumptions to evaluate the impact of changes in these variables on the financial statements. ▪ Evaluating the accuracy and completeness of the disclosures in the financial statements related to the accounts impacted by the ore reserve estimations.

Erkin Ayupov, Qualified Auditor/Engagement Partner

Deloitte.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, 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.

Those charged with governance are 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.

Erkin Ayupov, Qualified Auditor/Engagement Partner

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

“Deloitte & Touche” Audit Organisation LLC
is included in the register of audit organisations of
the Ministry of Economy and Finance of
the Republic of Uzbekistan dated 08 June 2021

Erkin Ayupov

Qualified Auditor/Engagement Partner
Auditor qualification certificate authorising audit of
companies, #04830 dated 22 May 2010 issued by
the Ministry of Economy and Finance of
the Republic of Uzbekistan

10 April 2025
Tashkent, Uzbekistan

Director,
“Deloitte & Touche” Audit Organisation LLC

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in millions of US Dollars, unless otherwise stated)

	Notes	2024	2023
Revenue		7,395	5,708
Cost of sales	7	(3,177)	(2,654)
Gross profit		**4,218**	**3,054**
Administrative and selling expenses		(134)	(105)
Other expenses		(156)	(32)
Operating profit		**3,928**	**2,917**
Finance income		1	2
Finance cost		(237)	(214)
Foreign exchange loss		(102)	(205)
Profit before income tax		**3,590**	**2,500**
Income tax expense	8	(1,453)	(1,022)
Profit for the year		**2,137**	**1,478**

The above statement of profit or loss should be read in conjunction with the accompanying notes.

Khasanov J.T.
Deputy General Director for Economy and Finance

Novikova J.V.
Chief Accountant

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024
(in millions of US Dollars, unless otherwise stated)

	2024	2023
Profit for the year	**2,137**	**1,478**
Items that will not be reclassified through profit or loss:		
Remeasurement of defined benefit liability, net of tax	(20)	(4)
Items that may be reclassified through profit or loss:		
Effect of translation to presentation currency	(237)	(469)
Other comprehensive loss for the year, net of tax	**(257)**	**(473)**
Total comprehensive income for the year	**1,880**	**1,005**

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Khasanov J.T.
Deputy General Director for Economy and Finance

Novikova J.V.
Chief Accountant

NAVOIY KON-METALLURGIYA KOMBINATI" AKSIYADORLIK JAMIYATI
NKMK
№1

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
(in millions of US Dollars, unless otherwise stated)

	Notes	31 December 2024	31 December 2023
Assets			
Non-current assets			
Property, plant and equipment	9	7,601	7,648
Inventories	10	95	118
Other non-current assets		5	3
Total non-current assets		**7,701**	**7,769**
Current assets			
Inventories	10	580	480
Income tax prepaid		324	70
Trade and other receivables		114	12
Advances paid		96	110
Other taxes receivable		34	27
Cash and cash equivalents	11	33	102
Total current assets		**1,181**	**801**
Total assets		**8,882**	**8,570**
Equity			
Share capital	12	1,418	1,418
Translation reserve		(1,592)	(1 355)
Other reserves		(45)	(25)
Retained earnings		5,028	4,678
Total equity		**4,809**	**4,716**
Non-current liabilities			
Borrowings	13	1,842	1,904
Employee benefits		119	89
Environmental obligations		154	89
Deferred tax liabilities	14	784	1,034
Total non-current liabilities		**2,899**	**3,116**
Current liabilities			
Borrowings	13	682	429
Trade and other payables	15	338	241
Other taxes payable		144	60
Other current liabilities		10	8
Total current liabilities		**1,174**	**738**
Total liabilities		**4,073**	**3,854**
Total equity and liabilities		**8,882**	**8,570**

The above statement of financial position should be read in conjunction with the accompanying notes.

Khasanov J.T.
Deputy General Director for Economy and Finance

Novikova J.V.
Chief Accountant

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in millions of US Dollars, unless otherwise stated)

	Notes	Share capital	Translation reserve	Other reserves	Retained earnings	Total
Balance at 1 January 2023		**1,418**	**(886)**	**(21)**	**4,454**	**4,965**
Profit for the year		-	-	-	1,478	**1,478**
Other comprehensive loss		-	(469)	(4)	-	**(473)**
Total comprehensive income		**-**	**(469)**	**(4)**	**1,478**	**1,005**
Dividends declared	12	-	-	-	(1,200)	**(1,200)**
Charity and sponsorship in accordance with the orders of state regulatory and supervisory authorities	12	-	-	-	(94)	**(94)**
Related current income tax		-	-	-	40	**40**
Balance at 31 December 2023		**1,418**	**(1,355)**	**(25)**	**4,678**	**4,716**
Balance at 1 January 2024		**1,418**	**(1,355)**	**(25)**	**4,678**	**4,716**
Profit for the year		-	-	-	2,137	**2,137**
Other comprehensive loss		-	(237)	(20)	-	**(257)**
Total comprehensive income		**-**	**(237)**	**(20)**	**2,137**	**1,880**
Dividends declared	12	-	-	-	(1,733)	**(1,733)**
Charity and sponsorship in accordance with the orders of state regulatory and supervisory authorities	12	-	-	-	(85)	**(85)**
Related current income tax		-	-	-	31	**31**
Balance at 31 December 2024		**1,418**	**(1,592)**	**(45)**	**5,028**	**4,809**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Khasanov J.T.
Deputy General Director for Economy and Finance

Novikova J.V.
Chief Accountant

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in millions of US Dollars, unless otherwise stated)

	Notes	2024	2023
Operating activities			
Profit before income tax		**3,590**	**2,500**
Adjustments for:			
Depreciation and amortisation		508	405
Impairment charge	9	142	-
Loss on disposal of property, plant and equipment		12	1
Finance income		(1)	(2)
Finance costs		237	214
Foreign exchange loss		102	205
Change in employee benefits		3	2
Other adjustments		(18)	11
Net cash generated from operating activities before changes in working capital		**4,575**	**3,336**
Movements in working capital:			
Inventories		(84)	(35)
Advances paid		2	(1)
Trade and other receivables		(97)	(3)
Other taxes receivable		(8)	42
Trade and other payables		108	34
Other taxes payable		88	(7)
Other liabilities		(4)	3
Cash generated by operations		**4,580**	**3,369**
Income tax paid		(1,878)	(1,327)
Net cash generated from operating activities		**2,702**	**2,042**
Investing activities			
Purchase of property, plant and equipment		(914)	(679)
Net cash used in investing activities		**(914)**	**(679)**
Financing activities			
Dividends paid		(1,731)	(1,202)
Cash paid as charity and sponsorship in accordance with the orders of state regulatory and supervisory authorities		(85)	(94)
Proceeds from borrowings	13	1,394	675
Repayments of borrowings	13	(1,214)	(547)
Interest paid	13	(209)	(185)
Commission on borrowings paid	13	(9)	(5)
Net cash used in financing activities		**(1,854)**	**(1,358)**
Net (decrease)/increase in cash and cash equivalents		**(66)**	**5**
Cash and cash equivalents at the beginning of the year	11	**102**	**105**
Effect of foreign exchange changes on cash and cash equivalents		(3)	(8)
Cash and cash equivalents at the end of the year	11	**33**	**102**

The above statement of cash flows should be read in conjunction with the accompanying notes.

NAVOIY KON METALLURGIYA KOMBINATI" AKSIYADORLIK JAMIYATI NKMK №1

Khasanov J.T.
Deputy General Director for Economy and Finance

Novikova J.V.
Chief Accountant

1. GENERAL INFORMATION

1.1. Organisation and operations

JSC “Navoi Mining and Metallurgical Company” (“NMMC” or the “Company”) was incorporated in Navoi, Republic of Uzbekistan, on 23 April 2021 on the basis of the Decree of the President of the Republic of Uzbekistan No. PP-4629 dated 6 March 2020 "On measures to reform the State Enterprise “Navoi Mining and Metallurgical Combinat". In September 2024, the State Assets Management Agency of the Republic of Uzbekistan transferred all its shares (2% ownership) to the Ministry of Economy and Finance of the Republic of Uzbekistan. As at 31 December 2024, the Company is 100% owned by the Republic of Uzbekistan and is controlled via the Ministry of Economy and Finance of the Republic of Uzbekistan. NMMC’s registered address is the Republic of Uzbekistan, Navoi, Navoi Street 27.

The principal activities of the Company are the extraction, refining and sale of precious metals, primarily fine gold. Its mining facilities are located in the cities of Zarafshan, Uchkuduk, Marjanbulak, Zarmitan and Navoi in the Republic of Uzbekistan.

The information on audit and non-audit fees is accessible on the Company’s website. The financial statements of the Company for the year ended 31 December 2024 were approved by management on 10 April 2025.

1.2. Business environment

Emerging markets such as the Republic of Uzbekistan are subject to different risks than more developed markets, including economic, political, social, legal and legislative risks. Laws and regulations affecting businesses in the Republic of Uzbekistan continue to change rapidly, while tax and regulatory frameworks are subject to varying interpretations. The future economic direction of the Republic of Uzbekistan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

Because Uzbekistan produces and exports gold in large volume, its economy is sensitive to the global gold price, which fluctuated significantly in 2024, averaging 2,388.98 US Dollars per troy ounce (2023: 1,943.00 US Dollars per troy ounce) at the London Bullion Market Association (LBMA).

The military and political conflict in Eastern Europe 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.

Since a significant portion of remittances to Uzbekistan come from Russia, fluctuations in their flow depend on the nature of the sanctions imposed, their impact on the Russian economy, and the devaluation of the Russian ruble. Because these factors change from year to year, the exact impact on Uzbekistan's financial environment remains uncertain and difficult to predict.

Uzbekistan is currently taking significant steps to join the World Trade Organization, which may significantly change market rules for local players and open up new opportunities to participants from outside of Uzbekistan. The process may require significant changes in national legislation.

At the end of 2024, Uzbekistan's gross domestic product ("GDP") grew by 6.5% (2023: 6.0%). Inflation in the country increased to 9.8% per annum in 2024 (2023: 8.8%). In July 2024, the Central Bank of the Republic of Uzbekistan reduced the base rate to 13.5% per annum compared to 14% per annum at the beginning of the period. However, uncertainty still exists related to the future development of geopolitical risks and their impact on the economy of Uzbekistan.

Management of the Company is monitoring developments in the economic, political, and geopolitical situation and taking measures it considers necessary to support the sustainability and development of the Company's business for the foreseeable future. However, the consequences of these events and related future changes may have a significant impact on the Company's operations.

2. BASIS FOR PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board.

The financial statements have been prepared on a historical cost basis, except as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1. Functional and presentation currency

Functional currency

The functional currency of the Company is the Uzbekistan Soum ("UZS").

Foreign currency

In preparing the Company's financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Presentation currency

These financial statements are presented in US Dollars ("USD"), as management believes it is a more convenient presentation currency for its users and a common presentation currency in the mining industry.

The translation from functional currency into presentation currency is performed as follows:

- *assets and liabilities* are expressed in the presentation currency using exchange rates prevailing at each reporting date;
- *profit or loss* items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used;
- *exchange differences*, if any, are charged or credited to other comprehensive income and recognised in the *translation reserve* within the statement of changes in equity; and
- *cash flows*: cash balances at the beginning and end of each reporting period presented are translated at exchange rates at the respective dates. All cash flows are translated at the average exchange rates for the period presented, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Resulting exchange differences, if any, are presented as the *Effect of foreign exchange changes on cash and cash equivalents*.

Exchange rates used in the preparation of these financial statements are as follows:

	31 December 2024	31 December 2023
1 USD exchange rates, UZS		
Closing exchange rates at the end of the year	12,920.48	12,338.77
Average exchange rates for the year ended	12,652.57	11,737.16

3.2. Property, plant and equipment

Property, plant and equipment include stripping activity assets, mines under development, capital construction in progress, mining assets and non-mining assets.

Capital construction in progress

Capital construction in progress comprises costs directly related to the construction or acquisition of property, plant and equipment including an appropriate allocation of directly attributable variable overheads that are incurred in construction as well as costs of purchase of other assets, (i.e. software that is an integral part of related equipment) that require installation or preparation for their use. Finance costs that are attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset.

When capital construction in progress has been completed and it is in a condition necessary to be capable of operating in the manner intended by management, the objects are reclassified to mining or non-mining assets, appropriately.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The Company recognises the cost of replacing a part in the carrying amount of an item of property, plant and equipment if it is probable that the future economic benefits embodied with the item will flow to the Company and the cost of the item can be measured reliably. All other costs are recognised in profit or loss as an expense as incurred.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in profit or loss, except for free-of-charge transfers of property, plant and equipment in accordance with the orders of state regulatory and supervisory authorities.

Mines under development

Mines under development include costs related to acquiring and developing mining properties, pre-production expenditure, and mine infrastructure; depreciation of equipment used in the development, mineral rights, mining and exploration licenses and the present value of future site restoration, decommissioning and environmental costs. Stripping costs incurred in order to provide initial access to the ore body (pre-production stripping) are also capitalised as mines under development.

Mines under development also include mines ready for development which comprises costs accumulated for the mines where the technical feasibility and commercial viability of extracting the gold resources are demonstrable and a decision has been made to develop the mine, but development work is planned for the future.

When a mine under development reaches a condition in which it is operating in the manner intended by management, the related items are reclassified to mining assets.

Mining assets

Mining assets are recorded at cost less accumulated depreciation and impairment losses. Such costs include:

- mineral rights;
- cost of acquiring and developing mining properties and mine infrastructure; and
- value of future site restoration, decommissioning and environmental costs.

Stripping activity assets

In open pit mining operations, it is necessary to remove overburden and other waste rock to access the ore body. During the mines under development stage, these costs are capitalised as part of the mines development costs. At the same time, the Company incurs stripping costs during the production phase of the mine, during which such costs are considered to create two benefits, being the production of inventory (ore mined) in the current period and/or improved access to the ore body to be mined in the future. Where stripping costs are incurred and the benefit that was created is improved access to the component of the ore body to be mined in the future, the stripping costs are recognised as stripping activity assets, if the following criteria are met:

- future economic benefits (being improved access to the ore body) are probable;
- the component of the ore body for which access will be improved can be accurately identified; and
- the costs associated with the improved access can be reliably measured.

If not all of the above-mentioned criteria are met, the stripping costs are included in the production cost of inventory (ore mined), otherwise the stripping costs in excess of the average long-term ore-to-waste ratio evaluated for the life of mine of that component and recognised as non-current assets and presented within property, plant and equipment as a separate class of assets.

Non-mining assets

Other property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Non-mining assets include:

- processing facilities,
- machinery and equipment; and
- other fixed assets.

Depreciation

Depreciation of fixed assets is charged from the date on which the deposit reached commercial production volumes. Depreciation is calculated using the following approach:

- ***mineral rights and stripping activity assets*** are amortised on the unit-of-production method based on the estimated ore reserves;
- ***exploration and evaluation and mines under development assets*** are not amortised;
- ***other mining assets*** are depreciated based on the straight-line method over the estimated economic useful life of the asset, which is limited to the remaining life-of-mine evaluated based on the estimated ore reserves; and
- ***non-mining assets*** are calculated on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives (in years) of major sub-classes of other property, plant and equipment used in determination of depreciation charge for the year ended 31 December 2024 are as follows:

Processing facilities	up to 35 years
Machinery and equipment	up to 25 years
Other assets	up to 10 years

Depreciation and amortisation methods, remaining useful lives and residual values (if any) are reviewed at each reporting date, with the effect of any changes in estimates being accounted for on a prospective basis.

3.3. Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less the costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Exploration and evaluation assets are tested for impairment when reclassified to development tangible or intangible assets, or whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the exploration and evaluation assets’ carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the exploration and evaluation assets’ fair value less costs of disposal and their value in use.

3.4. Inventories

Inventories including refined metals, doré, metals in concentrate and in process, ore stockpiles, materials and consumables are stated at the lower of cost and net realisable value.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. The net realisable value represents the estimated selling price for a product based on the forecast metal price, less estimated costs to complete production and marketing, selling and distribution costs necessary to make the sale.

3.5. Financial instruments

Financial assets

Financial assets are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets primarily include trade receivables and cash and cash equivalents, comprising cash at bank and short-term deposits and are measured at amortised cost.

Derecognition of financial assets

The management of the Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transferred nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises collateralised borrowing for the proceeds received.

Financial liabilities

Financial liabilities primarily consist of trade payables, other accounts payable and borrowings, including bank loans and eurobonds issued. They are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The management of the Company derecognises financial liabilities when, and only when, the Company’s obligations are discharged, cancelled or expire.

3.6. Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company liabilities for current tax are calculated using tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in these financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the rates that are expected to apply in the period in which the liability is settled or the asset realised, based on the tax rates that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the management of the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the management of the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or loss or directly in equity, in which case, the current and deferred tax are also recognised in the statement of comprehensive income or in the statement of changes in equity, respectively.

3.7. Provisions and contingencies

Environmental obligations

Environmental obligations relate primarily to the mine closure costs, rehabilitation and decommissioning of related infrastructure. Management estimates the obligation related to these costs based on internally generated engineering estimates, current statutory requirements and respective industry practices. Future decommissioning costs, discounted to net present value, are capitalised and a corresponding obligation is recognised as soon as a constructive obligation to incur such costs arises and the amount can be reliably estimated. The unwinding of discounts is recognised as finance costs.

The provision for environmental closure cost obligations is reassessed at the end of each reporting period presented following the changes in underlying estimates and assumptions. Such changes, including changes in legal and/or regulatory requirements, expected closure dates, discount factors, and other assumptions that in aggregate affect the amount of environmental obligations with a corresponding adjustment of decommissioning assets.

3.8. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, excluding value-added tax (if applicable).

Revenue is recognised when or as a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer and the revenue and costs incurred or to be incurred in respect of the transaction can be reliably measured. Cash received in advance from customers is not treated as revenue and is recognised as advances received within trade and other payables.

Revenue is represented by gold sales and recognised at a point in time upon physical shipment of gold from the refinery plant to the Central Bank of the Republic of Uzbekistan which is a related party of the Company and the main customer for gold sales. Refined gold sales are calculated based on London Bullion Market Association gold prices.

3.9. Equity

Expenditures incurred by the Company based on the respective resolutions, decisions and instructions of the Government, in its capacity as a shareholder, are accounted for as distributions through equity. Such expenditures mainly include charity and sponsorship contributions.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of accounting policies, management is required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are to be reviewed on an ongoing basis. Revisions to accounting estimates will be recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1. Critical judgements in applying accounting policies

No critical judgements have been applied when selecting the appropriate accounting policies.

4.2. 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 may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- ore reserves and life of mine; and
- taxation.

4.2.1. Ore reserves and life of mine ("LoM")

The Company estimates ore, stripping volumes, grades and mine operation plans based on the data that accounts for Joint Ore Reserves Committee Code (JORC) principles, as well as national geological regulations. The main operation plans are prepared based on geological, technical and economic factors. This process requires complex and difficult geological judgements and calculations to interpret the data.

Estimates of the quantities of ore reserves form the basis for the LoM operation plans which are used for a number of important business and accounting purposes, including:

- estimations of useful economic lives of property, plant and equipment;
- calculation of depreciation expense;
- capitalisation of production stripping costs;
- determination of the timing of cash outflows related to environmental obligations; and
- property, plant and equipment impairment testing.

Mine operation plans are adjusted annually based on the latest production data and new exploration data, taking into consideration the latest changes in consumables and utility costs, gold price, salary level and other economic factors. Refer to Note 9 to the financial statements for the information on the impact on the depreciation of property, plant and equipment and carrying value of environmental obligations.

4.2.2. Taxation

The taxation system in the Republic of Uzbekistan continues to evolve and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are sometimes contradictory, lack clarity resulting in differing views on their interpretation and application amongst the taxpayers and different tax authorities.

Due to these uncertainties, there is a risk that tax authorities may interpret tax legislation in a manner inconsistent with the taxpayers’ interpretation, which could lead to reassessments and the imposition of additional tax liabilities, including penalties and interest.

In practice, the tax claims made by tax authorities can be revised or revoked following the clarifications and instructions provided by the regulating bodies. When such precedents do arise, they do not create a binding legal standard and may not be relied upon to predict future outcomes. Furthermore, in certain instances, such alternative resolutions may later be challenged in court or deemed invalid under the prevailing legal framework. A tax year generally remains open for review by the tax authorities during the three subsequent years.

All these circumstances may create tax risks in the Republic of Uzbekistan that are more significant than in other countries. Based on currently available information (including interpretations of tax legislation, official pronouncements, government instructions and court decisions applicable in the Republic of Uzbekistan), management does not believe it is probable that a material outflow of economic resources will be required in relation to uncertain tax positions not already provided for. Accordingly, no additional tax provisions have been recognised in these financial statements. However, the interpretations of the tax authorities and courts, especially due to reform of the supreme courts that are resolving tax disputes, could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

5. ADOPTION OF NEW AND REVISED STANDARDS

Below is the list of standards, amendments and interpretations that are applicable for annual reporting periods commencing on 1 January 2024:

Amendments to IAS 1	Classification of Liabilities as Current and Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IFRS 16	Lease Liability in Sale and Leaseback
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

These standards, amendments and interpretations had no impact on the financial statements as there were no related transactions, assets and liabilities in the reporting period except for Amendments to IAS 1 – Non-current Liabilities with Covenants. For details see note 13 ‘Borrowings’.

(in millions of US Dollars, unless otherwise stated)

The following standards, amendments and interpretations had been issued but were not mandatory for annual reporting periods commencing on 1 January 2024:

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
Annual improvements for IFRS Accounting Standards in 2024	

Management of the Company is currently making a more comprehensive assessment of the full impact effects of these amendments and improvements, which the Company is required to apply for annual reporting periods beginning on or after 1 January 2027, with early adoption permitted.

6. SEGMENT INFORMATION

The Company's operations are a single reportable segment.
The principal activities of the Company are the extraction, refining and sale of precious metals, primarily fine gold in the Republic of Uzbekistan. The Company identifies the segment in accordance with the criteria set in IFRS 8, *Operating Segments*, and based on the way of operations of the Company are regularly reviewed by the chief operating decision-maker to analyse performance and allocate resources among business units of the Company.

The chief operating decision-maker ("CODM") has been determined as the Company's Chairman of the Management Board. The CODM reviews the Company's internal reporting in order to assess performance and allocate resources. The Management has determined a single operating segment being sale of precious metals based on these internal reports.

The Company's operations and assets are located in the Republic of Uzbekistan.

7. COST OF SALES

	2024	**2023**
Royalty (Mineral extraction tax)	840	584
Consumables and spares	716	709
Depreciation and amortisation (note 9)	522	410
Labour	474	426
Utilities	329	314
Fuel	260	198
Other	87	87
Total cost of production	**3,228**	**2,728**
Change in work in progress and finished goods	(51)	(74)
Total	**3,177**	**2,654**

(in millions of US Dollars, unless otherwise stated)

8. INCOME TAX EXPENSE

	2024	2023
Current tax expense	1,660	1,290
Adjustments for current tax of prior periods	-	43
Deferred tax benefit	(207)	(311)
Total	**1,453**	**1,022**

The Company is subject to the regular corporate income tax as well as the specific income tax calculated on profits exceeding a certain level. If the amount of taxable profit, determined in accordance with Tax legislation of the Republic of Uzbekistan, does not exceed 15% of the Company revenue, the regular corporate income tax rate is 15%. Taxable profit related to the amount in excess of 15% of revenue was taxed at an income tax rate of 50% in 2024 (2023: 50%).

A reconciliation of the amount of actual income tax expense presented in these financial statements is presented as follows:

	2024	2023
Profit before income tax	**3,590**	**2,500**
Income tax computed at statutory income tax rate	1,407	994
Effect of changes in estimated annual effective income tax rates	(7)	(46)
Adjustments for current tax of prior periods	-	43
Expenses not deductible for tax purposes	53	31
Total presented in profit and loss	**1,453**	**1,022**

As a result of the changes in the estimated annual effective income tax rates as at 31 December 2024, compared to 31 December 2023 (36.9% and 37.3%, respectively), the Company's deferred tax assets and liabilities were recalculated, resulting in a difference of USD 7 million (2023: USD 46 million).

At the end of each calendar year, the President of the Republic of Uzbekistan issues a decree on the parameters of the state budget for the next calendar year indicating a number of fiscal data including corporate income tax rates and income tax rates in excess of established profitability.

Income tax rates in excess of established profitability relevant to the calculation of deferred taxes in the reporting and comparative periods were as follows:

	Rates		
	2023	2024	2025 and after
The Decrees of the President of the Republic of Uzbekistan	50%[1]	50%[2]	50%[3]

[1] the Decree of the President of the Republic of Uzbekistan No. PP-471 dated 30 December 2022
[2] the Decree of the President of the Republic of Uzbekistan No. PP-422 dated 29 December 2023
[3] the Decree of the President of the Republic of Uzbekistan No. PP-455 dated 25 December 2024

(in millions of US Dollars, unless otherwise stated)

Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss but directly credited to equity and/or other comprehensive income or loss:

	2024	2023
Current tax		
Free of charge transfer of property, plant and equipment, charity and sponsorship in accordance with the orders of state regulatory and supervisory authorities	31	40
Total	**31**	**40**

9. PROPERTY, PLANT AND EQUIPMENT

	Stripping assets	Mine under development	Capital construction in progress	Mining assets	Non-mining assets	Total
Costs						
Balance at 1 January 2023	**848**	**730**	**657**	**3,920**	**3,168**	**9,323**
Additions	152	122	482	-	5	**761**
Change in environmental obligations	-	-	-	40	-	**40**
Transfers	-	(175)	(442)	224	393	**-**
Disposals	-	-	-	(5)	(34)	**(39)**
Translation	(84)	(63)	(63)	(366)	(304)	**(880)**
Balance at 31 December 2023	**916**	**614**	**634**	**3,813**	**3,228**	**9,205**
Additions	148	189	638	-	20	**995**
Change in environmental obligations	-	-	-	58	-	**58**
Transfers	-	(161)	(397)	209	349	**-**
Disposals	-	-	(1)	(6)	(24)	**(31)**
Translation	(45)	(28)	(33)	(177)	(152)	**(435)**
Balance at 31 December 2024	**1,019**	**614**	**841**	**3,897**	**3,421**	**9,792**
Accumulated depreciation and impairment						
Balance at 1 January 2023	**70**	-	-	**328**	**860**	**1,258**
Depreciation charge	23	-	-	135	315	**473**
Disposals	-	-	-	(5)	(33)	**(38)**
Translation	(8)	-	-	(36)	(92)	**(136)**
Balance at 31 December 2023	**85**	**-**	**-**	**422**	**1,050**	**1,557**
Depreciation charge	58	-	-	225	309	**592**
Disposals	-	-	-	-	(16)	**(16)**
Impairment	-	127	2	13	-	**142**
Translation	(5)	(2)	-	(25)	(52)	**(84)**
Balance at 31 December 2024	**138**	**125**	**2**	**635**	**1,291**	**2,191**
Carrying value						
Balance at 1 January 2023	**778**	**730**	**657**	**3,592**	**2,308**	**8,065**
Balance at 31 December 2023	**831**	**614**	**634**	**3,391**	**2,178**	**7,648**
Balance at 31 December 2024	**881**	**489**	**839**	**3,262**	**2,130**	**7,601**

(in millions of US Dollars, unless otherwise stated)

Mineral rights

The carrying values of mineral rights included in mining assets and mine under development are presented as follows:

	31 December 2024	31 December 2023
Mining assets	2,855	3,112
Mine under development	189	417
Total	**3,044**	**3,529**

Depreciation

Depreciation charges are allocated as follows:

	2024	2023
Cost of gold sales	504	403
Depreciation in change in inventory	18	7
Depreciation within cost of gold production (note 7)	**522**	**410**
Capitalised within property, plant and equipment	66	61
Administrative and selling expenses	2	1
Other expenses	2	1
Total depreciation of property, plant and equipment	**592**	**473**

In 2024, as part of the Company's annual review process of its accounting estimates, the Company has engaged an independent and qualified appraiser to update its assessment of the substantial part of the ore reserves in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results. Based on this assessment, a decrease in ore reserves was identified increasing annual depreciation of property, plant and equipment and carrying value of the environmental obligations by USD 90 million and USD 48 million, respectively. The evaluation of rest of ore reserves is currently in progress and as of the date of the financial statements, the impact is not yet determined.

In December 2024, impairment of mine under development assets in the amount of USD 127 million at Chukurkuduk, and mining assets and related capital expenditures of USD 15 million was recognised in the 'Other expenses' line in the statement of profit or loss for the year ended 31 December 2024. The decision was made following the internal evaluation of the ore reserves at these deposits in accordance with JORC principles.

For the year ended 31 December 2024, the total amount of capitalised interest included in the cost of qualifying assets was calculated by applying the weighted average capitalisation rate on funds borrowed of 8.81% per annum (31 December 2023: 9.48%). The total amount of finance costs capitalised was USD 21 million (31 December 2023: USD 21 million).

As at 31 December 2024, the cost of fully depreciated property, plant and equipment in use was USD 208 million (31 December 2023: USD 179 million).

(in millions of US Dollars, unless otherwise stated)

10. INVENTORIES

	31 December 2024	31 December 2023
Materials and consumables	295	256
Stockpiles	216	184
Work in progress	164	158
Total	**675**	**598**
Less non-current portion of stockpiles	(95)	(118)
Total current inventories	**580**	**480**

11. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Current bank accounts, related parties:		
USD-denominated	29	-
UZS-denominated	4	1
Deposits	-	1
Cash in the Treasury of the Republic of Uzbekistan, USD-denominated	-	100
Total	**33**	**102**

The cash and cash equivalents as at 31 December 2023 disclosed above and in the statement of cash flows for 2023 included cash in the Treasury of the Republic of Uzbekistan which had government restrictions on use but were accessible by the Company and available for general use once restrictions on use conditions are satisfied.

12. EQUITY

Share capital

Share capital of the Company was formed according to the Decree of the Cabinet of Ministers of the Republic of Uzbekistan No. PKM-170 dated 30 March 2021 in the form approved by the Supervisory Board of the Company on 22 November 2021.

On 15 March 2024 the share capital of the Company has been decreased by 167,881 ordinary shares and comprised 14,999,832,119 authorised ordinary shares with a par value of UZS 1,000 carrying one vote per share and a right to dividends.

Dividends and in-kind distribution

In 2024, NMMC declared dividends in the amount of USD 1,733 million (2023: USD 1,200 million) (at exchange rates on the dates of approval).

(in millions of US Dollars, unless otherwise stated)

During the years ended 31 December 2024 and 2023, following the Orders of the state regulatory and supervisory authorities, the Company made the following charity and sponsorship contributions (such contributions were considered as in-kind distribution to the controlling shareholder and presented within the statement of changes in equity):

	2024	**2023**
Charity and sponsorship	85	94
Total	**85**	**94**

13. BORROWINGS

	Maturity	**31 December 2024**	**31 December 2023**
Eurobonds			
U.S.$500,000,000 6.700% Notes due 2028 ("2028 Notes")	2028	505	-
U.S.$500,000,000 6.950% Notes due 2031 ("2031 Notes")	2031	505	-
Total Eurobonds		**1,010**	**-**
Bank loans			
denominated in USD			
Bank loans, related parties	2025-2029	261	549
Bank loans, other	2025-2027	1,040	1,673
Loans from the Ministry of Economy and Finance, related party	2029	49	49
Total		**1,350**	**2,271**
denominated in EUR			
Bank loans, related parties	2025	160	56
Bank loans, other	2025-2028	4	6
Total		**164**	**62**
Total Bank loans		**1,514**	**2,333**
Total Borrowings		**2,524**	**2,333**
Less current portion		(682)	(429)
Total non-current borrowings		**1,842**	**1,904**
Weighted average effective interest rate, % per annum		8.81%	9.48%

Borrowings carried at fixed and variable interest rates.

Eurobonds

In October 2024, the Company issued USD 500 million notes with coupon rate 6.70% and maturity date in October 2028 and USD 500 million notes with coupon rate 6.95% and maturity date in October 2031 (eurobonds) under Rule 144A and Regulation S on the London Stock Exchange. Fitch and S&P have assigned a 'BB-' rating to these notes. Proceeds from this issuance were fully received in October 2024 and were used for repayment of existing debt and financing of the Company's capital expenditure programme.

Bank loans

During 2024, the Company signed loan agreements with local and foreign banks with maturities up to 36 months for the amounts up to EUR 150 million (USD 162 million at exchange rates prevailing on the dates of tranches' issuance) and USD 258 million. By 31 December 2024, the Company received EUR 150 million and 233 USD million under loan agreements signed during 2024. The purpose of the loan agreements is capital expenditures.

During 2024, the Company repaid bank loans in the amount of EUR 51 million and USD 1,158 million, including full settlement of USD 489 million associated with non-SDN Russian banks. As at 31 December 2024, the Company has no bank loans associated with non-SDN Russian banks (31 December 2023: USD 489 million).

Pledge

Loans from the Ministry of Economy and Finance are unsecured. As at 31 December 2024 and 2023, there were no loans secured by the government guarantee. As at 31 December 2024, certain bank loans in the amount of USD 119 million (2023: USD 190 million) are secured by cash proceeds from the Company's gold sales.

Unused credit facilities

As at 31 December 2024, there were USD 25 million unused credit facilities (31 December 2023: no available credit facilities).

Covenants

There are a number of financial and non-financial covenants under several bank loan agreements and Eurobond terms and conditions. Following such covenants, the Company is limited to:

- maintenance of certain production and financial ratios (such as gold production, positive net assets, leverage etc.);
- maintenance of certain non-IFRS measures (EBITDA and similar measures, debt burden, etc.);
- provision of year-end audited and interim unaudited financial statements/information prepared in accordance with the National Accounting Standards of the Republic of Uzbekistan ("NAS") and IFRS Accounting Standards frameworks; and
- other restrictions and commitments.

The Company has tested financial covenants based on these financial statements and NAS measures. As at 31 December 2024, according to these calculations, the Company was in compliance with related covenants. Some of the covenants are based on NAS measures (unaudited).

As at 31 December 2024, the carrying amount of non-current borrowings, including corporate notes, that are subject to the covenants which an entity is required to comply with within twelve months of the reporting date was USD 1,833 million (31 December 2023: USD 1,895 million).

(in millions of US Dollars, unless otherwise stated)

Reconciliation of liabilities arising from financing activities

	2024	2023
Borrowings at amortised cost	2,299	2,158
Accrued but unpaid interest	34	23
Carrying value at 1 January	**2,333**	**2,181**
Borrowings obtained	1,394	675
Borrowings repaid	(1,214)	(547)
Commission paid	(9)	(5)
Interest paid	(209)	(185)
Net cash flows	**(38)**	**(62)**
Non-cash changes, including:		
Interest expense on borrowings as included in profit and loss	213	193
Interest included in the cost of qualifying assets	21	21
Foreign exchange revaluation	103	215
Effect of translation to presentation currency	(108)	(215)
Borrowings at amortised cost	2,482	2,299
Accrued but unpaid interest	42	34
Carrying value at 31 December	**2,524**	**2,333**

14. DEFERRED TAX LIABILITIES

	31 December 2023	Recognised in profit or loss	Translation	31 December 2024
Property, plant and equipment	1,138	(118)	(49)	971
Borrowings	16	(3)	(1)	12
Inventories	(52)	(48)	3	(97)
Environmental obligations	(33)	(26)	2	(57)
Other	(35)	(12)	2	(45)
Total	**1,034**	**(207)**	**(43)**	**784**

	31 December 2022	Recognised in profit or loss	Translation	31 December 2023
Property, plant and equipment	1,547	(276)	(133)	1,138
Borrowings	21	(4)	(1)	16
Inventories	(55)	(3)	6	(52)
Environmental obligations	(18)	(18)	3	(33)
Other	(26)	(10)	1	(35)
Total	**1,469**	**(311)**	**(124)**	**1,034**

The income tax rates are presented in note 8.

(in millions of US Dollars, unless otherwise stated)

15. TRADE AND OTHER PAYABLES

	31 December 2024	31 December 2023
Trade payables	248	170
Accrued annual leave	48	37
Wages and salaries payable	34	31
Other accounts payable and accrued expenses	8	3
Total	**338**	**241**

16. COMMITMENTS

Capital commitments

The Company contracted capital expenditure commitments are presented as follows:

	31 December 2024	31 December 2023
Contractual capital commitments	403	282

Social commitments

The Company contributes to the maintenance of the local infrastructure and the welfare of its employees, including contributions to the development and maintenance of housing, hospitals, transport services, recreation and other social needs in the geographical areas in which it operates.

17. RELATED PARTIES

The Company has applied for the exemption as allowed by IAS 24 Related party disclosures not to disclose all government related transactions, as it is ultimately controlled by the government of the Republic of Uzbekistan. In the course of its ordinary business, the Company enters into transactions with government-related entities. Transactions with the state also include taxes.

The main customer of the Company is the Central Bank of the Republic of Uzbekistan, which is a related party, sales for 2024 comprised USD 7,258 million (2023: USD 5,708 million). The Company also received loans from the National Bank for Foreign Economic Activity of the Republic of Uzbekistan, the Ministry of Economy and Finance and other government owned banks which are also related parties (note 13). All Company's cash is placed on the current accounts in government owned banks (note 11). Utilities consumed by the Company are fully supplied by government owned entities (note 7). Certain government owned entities supply the Company with essential consumables such as grinding balls, metal rolling, and chemicals. In 2024, the Company's purchases from JSC Navoiyazot and JSC Uzmetkombinat, government owned entities, comprised USD 172 million and USD 165 million respectively (2023: USD 143 million and USD 168 million). Also, the Company has purchased the part of diesel from LLC Bukhara oil refinery factory and LLC Uzbekistan GTL in the amount of USD 11 million (2023: USD 55 million). There were no other individually significant government related transactions.

In 2024, key management personnel compensation included only short-term employee benefits and was equal to USD 1 million (2023: USD 1 million).

(in millions of US Dollars, unless otherwise stated)

18. FINANCIAL RISK MANAGEMENT

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the equity holder through the optimisation of the debt and equity balance. The management of the Company reviews the capital structure on a regular basis, including verification of compliance with bank covenants. Based on the results of this review, the management takes steps to balance its overall capital structure through the payment of dividends as well as the issue of new debt or the redemption of outstanding balances.

Classes and categories of financial instruments and their fair values

The principal financial instruments comprise cash and cash equivalents, trade and other receivables, borrowings and trade and other payables. The carrying amounts of financial assets and liabilities recorded at amortised cost in these financial statements approximate their fair value, except for borrowings.

The fair value of borrowings was measured based on the present value of future cash flows at the market interest rate published in the Statistical Bulletin by the Central Bank of the Republic of Uzbekistan at the end of each reporting periods presented.

	Currency	Carrying value	Fair value
Borrowings at 31 December 2023	USD/EUR	2,333	2,247
Borrowings at 31 December 2024	USD/EUR	2,524	2,416

Whilst accounted for at amortised cost, the fair value measurement of Eurobonds and borrowings is within Level 2 and Level 3, respectively, of the fair value hierarchy in accordance with IFRS 13 *Fair value measurement*.

The main risks arising from the Company’s financial instruments are foreign currency, interest rate, liquidity and credit risks.

Gold price risk

The sale price of gold is a function of the morning fixing price of the London Bullion Market Association. The Company is exposed to changes in the market price of gold due to its significant volatility. The Company does not hedge its exposure to gold price fluctuations.

Foreign currency risk

Currency risk is the risk that the financial results of the Company will be adversely affected by changes in exchange rates to which the Company is exposed. The Company undertakes certain transactions denominated in foreign currencies. Prices for gold are quoted in UZS based on international quoted market prices in US dollars. A substantial portion of the Company’s borrowings and outstanding balance of cash and cash equivalents are denominated in USD.

(in millions of US Dollars, unless otherwise stated)

The carrying amounts of monetary assets and liabilities denominated in USD were as follows:

	31 December 2024	31 December 2023
Financial assets		
Cash and cash equivalents	29	100
Total financial assets	**29**	**100**
Financial liabilities		
Borrowings	2,360	2,271
Trade and other payables	21	22
Total financial liabilities	**2,381**	**2,293**
Net position	**2,352**	**2,193**

The carrying amounts of monetary assets and liabilities denominated in EUR were as follows:

	31 December 2024	31 December 2023
Financial liabilities		
Borrowings	164	62
Trade and other payables	5	9
Total financial liabilities	**169**	**71**

The table below details the Company's sensitivity analysis for decrease in the UZS against the USD and EUR by 10%, which is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates based on historical data. The analysis was applied to all monetary items at the end of each reporting period denominated in respective foreign currency.

	31 December 2024	31 December 2023
10% decrease in the UZS against the USD		
Impact on profit before income tax	(235)	(219)
10% decrease in the UZS against the EUR		
Impact on profit before income tax	(17)	(7)

In the case of appreciation of UZS, the effect will be the opposite.

Interest rate risk

The Company's interest risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. The risk is managed by the Company by maintaining an appropriate mix between fixed and variable rate borrowings.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period is as follows:

	31 December 2024	31 December 2023
Variable rate borrowings	1,003	1,671

(in millions of US Dollars, unless otherwise stated)

The table below details the Company's sensitivity analysis to a 100 basis point increase in variable interest rates. The sensitivity analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year:

	31 December 2024	31 December 2023
Impact on profit before income tax	(10)	(17)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle all liabilities as they are due. The liquidity position is carefully monitored and managed. The liquidity risk is managed by maintaining detailed budgeting and cash forecasting processes and matching the maturity profiles of financial assets and liabilities to help ensure that it has adequate cash available to meet payment obligations.

Presented below is the maturity profile of the financial liabilities at 31 December 2024 based on undiscounted contractual cash payments, including interest payments:

	Borrowings		Trade and other payables	Total
	Principal	Interest		
Less than 1 year	637	175	338	1,150
1-2 years	655	182	-	837
2-5 years	723	116	-	839
More than 5 years	500	62	-	562
Total	**2,515**	**535**	**338**	**3,388**

Presented below is the maturity profile of the financial liabilities at 31 December 2023 based on undiscounted contractual cash payments, including interest payments:

	Borrowings		Trade and other payables	Total
	Principal	Interest		
Less than 1 year	366	189	241	796
1-2 years	470	169	-	639
2-5 years	1,432	124	-	1,556
More than 5 years	72	2	-	74
Total	**2,340**	**484**	**241**	**3,065**

Credit risk

Credit risk is the risk that a customer may default or not meet its obligations on a timely basis, leading to financial losses to the Company. Credit risk arises from cash and cash equivalents and trade and other receivables.

The main gold customer of the Company is the Central Bank of the Republic of Uzbekistan.

(in millions of US Dollars, unless otherwise stated)

The maximum exposure to credit risk at the reporting date is the carrying value of each of the financial assets are presented as follows:

	31 December 2024	**31 December 2023**
Cash and cash equivalents	33	102
Trade and other receivables	114	12
Total	**147**	**114**

Cash is kept on bank accounts of the National Bank for Foreign Economic Activity of the Republic of Uzbekistan which has credit rating of BB- (Standard & Poor's) (2023: BB-).

19. EVENTS AFTER THE REPORTING PERIOD

Dividends

In 2025, the Company declared dividends in the amount of USD 438 million (at exchange rates on the dates of approval). Up to the date of authorisation of these financial statements for issuance, dividends in the amount of USD 148 million (at exchange rates on the dates of approval) were paid.

Credit facilities

Up to the date of authorisation of these financial statements, the Company received USD 25 million from previously signed loan facilities with fixed interest rates and maturity in 2027. Proceeds were used for operating and investing activities. USD 122 million of loan facilities have been repaid.