

**OPEN JOINT STOCK COMPANY "TAJIK
ALUMINUM COMPANY"**

Consolidated Financial Statements for the
year ended 31 December 2024 and
Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholder and Management of Open Joint Stock Company "Tajik Aluminum Company"

Opinion

We have audited the consolidated financial statements of Open Joint Stock Company "Tajik Aluminum Company" (hereinafter "Company") and its subsidiaries (hereinafter "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, as well as its consolidated financial results and consolidated 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 the International Standards on Auditing (ISAs). Our responsibilities in accordance with these standards are further described in the *"Auditor's Responsibilities for the Audit of Consolidated Financial Statements"* section of our report.

We are Independent of the Group, in accordance with the ethical requirements of the Code of ethics of professional accountants of the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in the Republic of Tajikistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 your attention to Note 26 to the consolidated financial statements, which discloses contingent liabilities of borrowings under the project "Construction of Cryolite, Sulphuric Acid, Aluminum Fluoride Production Plant in Yavan District of Khatlon Region" in the amount of USD 47,790 thousand and CNY 248,331 thousand.

We do not express a modified opinion in connection with this matter.

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

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

In preparing the Consolidated Financial Statements, Management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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 expressing an opinion on the effectiveness of the Group'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 Group'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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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, related safeguards.



Bakhtiyor Saloev

Audit Partner

License BM № 0000223 dated 02/05/2025
Issued by the Ministry of Finance of
Republic of Tajikistan



Qualification certificate of auditor
BM № 0000692 dated 17/01/2024
Issued by the Ministry of Finance of
Republic of Tajikistan

7 July 2025
Dushanbe, Tajikistan

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Statement of Management's Responsibilities for the Preparation and Approval of the Consolidated Financial Statements for the year ended 31 December 2024

The following statement, which should be read in conjunction with the independent auditor's responsibilities stated in the independent auditor's report, is made with a view to distinguish the respective responsibilities of management of OJSC "Tajik Aluminum Company" and its subsidiaries (the "Group") and those of independent auditor in relation to the Group's consolidated financial statements.

Management of the Group is responsible for preparation of the consolidated financial statements that presents fairly the consolidated financial position of the Group as at 31 December 2024, the consolidated results of its operations, consolidated income, cash flows and changes in equity for the year then ended, in accordance with International Financial Reporting Standards (IFRSs).

In preparing the consolidated financial statements, management is responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Stating whether IFRSs have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Preparing the consolidated financial statements on going concern basis, unless it is inappropriate to presume that the Group will continue business in the foreseeable future.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, through out the Group;
- Maintaining proper accounting records that disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and which enable them to ensure that the consolidated financial statements of the Group comply with IFRSs;
- Maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Tajikistan;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Detecting and preventing fraud and other irregularities

On behalf of the Management

Sharifzoda Sh.
General Director

Khonov N.
Chief Accountant

OPEN JOINT STOCK COMPANY "TAJIK ALUMINUM COMPANY"
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
(in thousand US Dollars)

	Notes	31 December 2024	31 December 2023
ASSETS:			
NON-CURRENT ASSETS			
Property, plant and equipment	7	344,364	327,875
Equipment to be installed and assets under construction	7	8,431	17,054
Investments	8	6,835	14,131
Investment in joint venture	9	8,575	0.05
Deferred tax assets	23	1,805	-
Other assets		1,337	1,522
TOTAL NON-CURRENT ASSETS		371,348	360,582
CURRENT ASSETS			
Inventories	10	24,114	21,182
Trade and other receivables	11	28,404	57,468
Cash and cash equivalents	12	886	116
TOTAL CURRENT ASSETS		53,404	78,766
TOTAL ASSETS		424,752	439,348
EQUITY AND LIABILITY			
EQUITY			
Share capital	13	604,875	604,875
Revaluation reserve - Property, plant and equipment		149,531	142,441
Accumulated deficit	14	(596,329)	(582,851)
TOTAL EQUITY		158,078	164,465
NON-CURRENT LIABILITIES			
Deferred tax liability	23	-	1,562
Long term trade payables	15	83,609	73,095
TOTAL NON-CURRENT LIABILITIES		83,609	74,657
CURRENT LIABILITIES			
Trade and other payables	16	119,204	170,110
Loans and overdrafts received	17	62,828	29,460
Reserves		1,034	656
TOTAL CURRENT LIABILITIES		183,066	200,226
TOTAL LIABILITIES		266,675	274,883
TOTAL EQUITY AND LIABILITY		424,752	439,348

The notes No. 1-28 form an integral part of these consolidated financial statements

On behalf of the management

Sharifzoda Sh.
General Director

Khonov N.
Chief Accountant

OPEN JOINT STOCK COMPANY "TAJIK ALUMINUM COMPANY"
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

(in thousand US Dollars)

		For the year ended	
	Notes	31 December 2024	31 December 2023
Revenue	18	66,394	50,966
Cost of sales	19	(97,494)	(79,552)
GROSS LOSS		(31,100)	(28,585)
Distribution expenses	20	(1,448)	(1,583)
Administrative expenses	21	(8,895)	(7,317)
OPERATING LOSS		(41,443)	(37,485)
Effect of discounting long term payable		(11,554)	7,489
Other income, net	22	10,013	4,715
Loss on sale of investment	8	(4,320)	-
Interest expense and finance charges		(3,306)	(6,358)
Net gain/(loss) on foreign exchange operations		(1,246)	16,076
Share of profit in joint ventures	9	10,308	-
LOSS BEFORE TAX		(41,548)	(15,563)
Income tax expense	23	3,160	1,646
LOSS FOR THE YEAR		(38,388)	(13,917)
Other comprehensive income:		-	-
Items that will not be subsequently reclassified to profit or loss:			
- Profit from revaluation of Property, Plant and Equipment		32,343	-
Items that will be subsequently reclassified to profit or loss:			
- Exchange rate differences on investment in a joint venture		(343)	-
Total other comprehensive income		32,000	-
TOTAL COMPREHENSIVE LOSS		(6,388)	(13,917)

The notes 1-28 form an integral part of these consolidated financial statements

On behalf of the management

Sharifzoda Sh.
General Director

Khonov N.
Chief Accountant

OPEN JOINT STOCK COMPANY "TAJIK ALUMINUM COMPANY"
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousand US Dollars)

	Share capital	Revaluation reserve on Property, Plant and Equipment	Accumulated deficit	Total
Balance at 1 January 2023	<u>604,875</u>	<u>167,616</u>	<u>(594,108)</u>	<u>178,383</u>
Annual write-off of Property, Plant and Equipment revaluation reserve	-	(25,175)	25,175	-
Profit/(Loss) for the year	-	-	(13,917)	(13,917)
Balance at 31 December 2023	<u>604,875</u>	<u>142,441</u>	<u>(582,851)</u>	<u>164,465</u>
Revaluation of Property, Plant and Equipment	-	32,343	-	32,343
Annual write-off of Property, Plant and Equipment revaluation reserve	-	(25,253)	25,253	-
Exchange rate differences on investment in a joint venture	-	-	(343)	(343)
Profit/(Loss) for the year	-	-	(38,388)	(38,388)
Balance at 31 December 2024	<u>604,875</u>	<u>149,531</u>	<u>(596,329)</u>	<u>158,078</u>

The notes 1-28 form an integral part of these consolidated financial statements

On behalf of the management

Sharifzoda Sh.
General Director

Khonov N.
Chief Accountant

OPEN JOINT STOCK COMPANY "TAJIK ALUMINUM COMPANY"
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(in thousand US Dollars)

	For the year ended	
	31 December 2024	31 December 2023
Loss before tax	(41,548)	(15,563)
Adjustments for:		
Dereciation and amortisation	32,944	32,842
Loss/(Income) from foreign currency revaluation, net	1,246	(16,076)
Financial expenses	3,306	6,358
Effect of discounting long term payable	11,554	(7,489)
Accrual/(recovery) of reserves for accounts receivable	(224)	-
Loss on sale of investment	4,320	-
Share of profit joint ventures	(10,308)	-
Disposal of property, plant and equipment	(317)	-
Cash flows from operating activities before movement in working capital	974	72
Decraese/(increase) in trade and other receivables	29,288	(20,206)
Decraese/(increase) in other assets	184	267
Decraese/(increase) in inventories	(10,458)	(14,533)
Increase/(decrease) in trade and other payables	(53,095)	35,396
Net cash provided by operations	(33,107)	996
Income tax paid	-	(43)
Interest paid	(9,535)	(2,798)
Net cash generated from operating activites	(42,641)	(1,844)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of investments	2,976	-
Dividends received from joint ventures	1,389	-
Purchase of property, plant and equipment	(13)	(153)
Purchase of Equipment to be installed and assets under construction	(745)	(114)
Net cash used in investing activities	3,607	(267)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loans received	39,884	9,707
Loans paid	-	(7,503)
Net cash used in financing activities	39,884	2,204
Effect of changes in foreign exchange rates on cash and cash equivalents	(80)	(17)
NET CHANGES IN CASH AND CASH EQUIVALENTS	770	76
CASH AND CASH EQUIVALENTS, at the beginning of the year	116	40
CASH AND CASH EQUIVALENTS, at the end of the year	886	116

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On behalf of the management

Sharifzoda Sh.
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