JOINT STOCK COMPANY
AIR ASTANA

Separate Financial Statements
for the year ended 31 December 2025

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Statement of management's responsibilities for the preparation and approval of the separate financial statements for the year ended 31 December 2025

The management is responsible for the preparation of the separate financial statements that present fairly the financial position of Joint Stock Company Air Astana (the "Company") as at 31 December 2025, and the results of its operations, cash flows and changes in equity in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

In preparing the separate financial statements, the 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;
- providing additional disclosures when compliance with the specific requirements in 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.

The 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 separate financial position of the Company, and which enable them to ensure that the separate financial statements of the Company comply with IFRS Accounting Standards;
- maintaining statutory accounting records in compliance with the legislation of Kazakhstan and IFRS Accounting Standards;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

The separate financial statements for the year ended 31 December 2025 were authorised for issue on 8 April 2026 by the management of the Company.

On behalf of the management of the Company:

«ЭИР АСТАНА» АК

Peter Foster	**Ibrahim Canliel**	**Saule Khassenova**
Chief Executive Officer	**Chief Financial Officer**	**Chief Accountant**
Almaty, Republic of Kazakhstan	Almaty, Republic of Kazakhstan	Almaty, Republic of Kazakhstan

8 April 2026

Effective April 1, 2026, Mr. Peter Foster retiredand Mr. Inrahim Canliel was elected Chief Executive Officer in accordance with the decisions of the Board of Directors of Air Astana JSC dated October 7, 2025 (Minutes No. 268).

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Independent auditor's report

To the Shareholders, Board of Directors and management of Air Astana JSC

Opinion

We have audited the separate financial statements of Air Astana JSC (hereinafter, the "Company"), which comprise the separate statement of financial position as at 31 December 2025, and the separate statement of profit and loss, separate statement of other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2025 and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 separate 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)* (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the separate financial statements of public interest entities in the Republic of Kazakhstan. We have also 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the separate financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate financial statements.

Key audit matter	***How our audit addressed the key audit matter***
Passenger revenue	
The Company's passenger revenue information is generated in a significant number of low-value transactions, sourced from multiple systems, including the reservation system. The processing and recording of revenue is highly automated and is based on established tariff plans. We identified this matter as a key audit matter due to the complexity of information systems involved in the revenue recognition process and the risks associated with incorrect recognition and measurement of revenue. The auditing of revenue required an increased extent of audit effort, including the involvement of professionals with expertise in information technology ("IT") to identify relevant systems, and evaluate and test automated controls. The disclosure of information in respect of the accounting policies on revenue recognition is included in *Note 3* to the separate financial statements, and disclosures by types of revenue are included in *Note 7* to the separate financial statements.	We assessed the design and tested the operating effectiveness of IT general controls supporting the operation of the reservation system and other IT systems. We tested IT application controls over the capturing and recording of data, and IT application controls over the calculation of amounts to be billed to customers in the reservation system. We reconciled information in the reservation system used for the recording and recognition of passenger revenue with revenue recorded in other IT systems. We analyzed correlation among revenue, deferred revenue, trade receivables and cash recorded in the accounting system. We analysed annual and monthly trends in revenue by route/direction and compared these trends with changes in passenger volumes. We analysed the key judgements used by management in the accounting for revenue. We evaluated the Company's accounting policy for revenue recognition. We analysed the disclosures in the separate financial statements related to revenue recognition.

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Provision for aircraft maintenance

We considered this matter to be one of the matters of most significance in our audit due to materiality of the provision for aircraft maintenance to the separate financial statements, the high level of subjectivity in respect of assumptions underlying calculation of provision for aircraft maintenance and significant judgement and estimates made by management.

Significant assumptions included expected cost and timing of maintenance activities. Management has engaged an external expert to assist in estimating the timing and cost of expected engine maintenance activities.

The Company's disclosure of information in respect of the accounting policies on provision for aircraft maintenance is included in *Note 3* to the separate financial statements, and disclosures by types of provision for aircraft maintenance are included in *Note 23* to the separate financial statements.

We obtained an understanding of management's process for estimating the provision for aircraft maintenance, including relevant controls over data collection, estimation, and review of assumptions used.

We assessed the competence, capabilities, and objectivity of the expert engaged by management, and obtained an understanding of their work, including the scope, methods and key assumptions.

We inspected results of the calculations provided by management's expert and evaluated the relevance and reasonableness of the expert's findings and conclusions to ensure they are appropriate and reliable.

We analyzed the key assumptions adopted by management in estimating the provision.

We compared the expected cost of maintenance activities with historical actual costs incurred and existing maintenance agreements.

We compared the method of calculation of provisions in the current year with the method used in the prior year.

We analysed the disclosures in the separate financial statements related to the provision for aircraft maintenance.

Other matters

The separate financial statements of the Company for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 19 March 2025.

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Other information included in the Company's 2025 Annual Report

Other information consists of the information included in the Company's 2025 Annual Report, other than the separate financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the separate financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of management and the Audit Committee for the separate financial statements

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

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

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate financial statements.

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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 separate 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 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 separate 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 separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee 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 the Audit Committee 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.

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From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the separate 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.

The partner in charge of the audit resulting in this independent auditor's report is Paul Cohn.

Ernst & Young LLP

Paul Cohn
Audit Partner

Dinara Malayeva
Auditor

Auditor Qualification Certificate
No. МФ-0000323 dated 25 February 2016

Rustamzhan Sattarov
General Director
Ernst & Young LLP

State Audit License for audit activities on the territory of the Republic of Kazakhstan: series МФЮ-2, № 0000003, issued by the Ministry of Finance of the Republic of Kazakhstan on 15 July 2005

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8 April 2026

’000 KZT	Notes	2025	2024
Revenue and other income			
Passenger revenue	7	547,229,750	431,102,676
Other income	7	50,241,894	7,279,763
Gain from sale and leaseback transactions	7	19,256,118	5,930,837
Cargo and mail revenue	7	14,275,055	11,282,497
Total		**631,002,817**	**455,595,773**
Operating expenses			
Fuel and oil costs		(127,763,990)	(103,776,758)
Employee and crew costs	8	(124,772,325)	(80,778,424)
Depreciation and amortisation	12	(85,099,154)	(60,384,860)
Passenger service	8	(63,795,137)	(48,355,012)
Handling, landing fees and route charges	8	(60,741,546)	(43,804,898)
Engineering and maintenance	8	(50,932,627)	(33,292,288)
Aircraft variable lease costs		(29,440,472)	(8,203,645)
Selling costs	8	(25,322,301)	(19,305,623)
Insurance		(5,036,884)	(4,168,951)
Consultancy, legal and professional services		(3,906,646)	(3,557,126)
Information technology		(3,750,928)	(2,183,775)
Taxes, other than income tax		(2,705,861)	(2,014,625)
Property and office costs		(2,465,618)	(1,971,589)
Other expenses		(13,797,410)	(5,664,077)
Total operating expenses		**(599,530,899)**	**(417,461,651)**
Operating profit		**31,471,918**	**38,134,122**
Finance income	9	10,766,109	10,029,363
Finance costs	9	(29,830,483)	(13,683,524)
Foreign exchange loss, net		(3,648,698)	(5,434,256)
Profit before tax		**8,758,846**	**29,045,705**
Income tax expense	10	(3,560,281)	(4,192,591)
Profit from continuing operations		**5,198,565**	**24,853,114**
Profit from discontinued operations (net of income tax)		–	**3,795,054**
Profit for the year		**5,198,565**	**28,648,168**
Basic and diluted earnings per share (in KZT)	20	**14.674**	**82.115**
Basic and diluted earnings per share (in KZT) related to continuing operations		**14.674**	**71.237**

On behalf of the Company’s management:

«ЭИР АСТАНА» АҚ

Peter Foster	**Ibrahim Canliel**	**Saule Khassenova**
Chief Executive Officer	**Chief Financial Officer**	**Chief Accountant**
Almaty, Republic of Kazakhstan	Almaty, Republic of Kazakhstan	Almaty, Republic of Kazakhstan

8 April 2026

The separate statement of profit or loss is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

’000 KZT	**Notes**	**2025**	**2024**
Exchange differences not to be reclassified to profit or loss in subsequent periods		(7,552,348)	27,761,349
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):			
Cash flow hedges – effective portion of changes in fair value		89,343	179,683
Corporate income tax related to cash flow hedges – effective portion of changes in fair value		(17,869)	(35,937)
Realised net loss from cash flow hedging instruments	25	3,594,620	5,968,460
Corporate income tax related to loss from hedging instruments	25	(719,028)	(1,193,786)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		**2,947,066**	**4,918,420**
Other comprehensive loss/(income) for the year, net of tax		**(4,605,282)**	**32,679,769**
Total comprehensive income for the year		**593,283**	**61,327,937**

The separate statement of other comprehensive income is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

’000 KZT	Notes	31 December 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment	11	410,538,385	388,121,929
Intangible assets		3,187,872	3,160,112
Prepayments	15	10,272,875	9,559,102
Guarantee deposits	13	21,402,624	19,455,326
Trade and other receivables	16	1,467,048	2,650,755
Deferred tax assets	10	27,916,378	19,050,991
Investments in subsidiaries	19	12,149,908	9,249,288
		486,935,090	**451,247,502**
Current assets			
Inventories	14	36,319,803	33,242,614
Prepayments	15	10,187,946	13,872,881
Income tax prepaid		3,591,791	6,825,905
Trade and other receivables	16	34,863,876	10,936,466
Other taxes prepaid	17	15,686,596	7,229,714
Guarantee deposits	13	25,432,203	1,699,256
Other financial assets		122,844	158,583
Cash and cash equivalents	18	186,171,533	240,949,874
		312,376,592	**314,915,293**
Total assets		**799,311,682**	**766,162,796**
EQUITY AND LIABILITIES			
Equity	20		
Share capital		56,758,223	56,758,223
Functional currency transition reserve		48,996	48,996
Other reserves		(691,711)	1,455,281
Treasury shares		(2,624,585)	(3,952,306)
Foreign currency translation reserve		34,942,716	41,453,601
Reserve on hedging instruments, net of tax		(60,352)	(1,965,955)
Retained earnings		100,322,357	117,195,559
Total equity		**188,695,644**	**210,993,399**
Non-current liabilities			
Loans	25	2,276,907	–
Lease liabilities	25	253,886,266	219,852,530
Provision for aircraft maintenance	23	76,248,584	91,463,135
Trade and other payables	24	19,781,894	40,969,607
Other non-current liabilities		619,780	429,540
		352,813,431	**352,714,812**
Current liabilities			
Loans		286,636	-
Lease liabilities	25	66,879,597	65,648,202
Deferred revenue	22	42,870,966	41,265,769
Provision for aircraft maintenance	23	42,260,286	12,351,112
Trade and other payables	24	103,157,441	83,189,502
Other financial liabilities		2,347,681	–
		257,802,607	**202,454,585**
Total liabilities		**610,616,038**	**555,169,397**
Total equity and liabilities		**799,311,682**	**766,162,796**
Book value per ordinary share (in KZT)*		**524.110**	**587.642**

* *Disclosure of the book value per common share is not covered by IFRS and is disclosed upon request and in accordance with the rules of KASE.*

The number of ordinary shares used in calculation as of 31 December 2025 and 31 December 2024 was 353,948,253 and 351,887,760 respectively.

The separate statement of financial position is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

’000 KZT	Share capital	Treasury shares	Other reserves	Additional paid-in capital	Reserve on hedging instruments	Functional currency translation reserve	Retained earnings	Total equity
At 1 January 2024	**2,501,550**	–	–	**48,996**	**(5,489,830)**	**12,297,707**	**87,684,682**	**97,043,105**
Profit for the year	–	–	–	–	–	–	28,648,168	28,648,168
Other comprehensive income: Realised loss on cash flow hedging instruments and effective portion of changes in fair value of fuel call options, net of tax	–	–	–	–	4,918,420	–	–	4,918,420
Exchange rate differences when converting from other currencies	–	–	–	–	(1,394,545)	29,155,894	–	27,761,349
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**3,523,875**	**29,155,894**	**28,648,168**	**61,327,937**
Issue of shares *(Note 20)*	54,256,673	–	–	–	–	–	–	54,256,673
Issue costs *(Note 20)*			(1,386,266)					(1,386,266)
Treasury shares *(Note 20)*		(3,952,306)						(3,952,306)
Equity settled share-based payments *(Note 20)*			2,841,547	–	–	–	–	2,841,547
Other changes	–	–	–	–	–	–	862,709	862,709
At 31 December 2024	**56,758,223**	**(3,952,306)**	**1,455,281**	**48,996**	**(1,965,955)**	**41,453,601**	**117,195,559**	**210,993,399**
		–	–					
At 1 January 2025	**56,758,223**	**(3,952,306)**	**1,455,281**	**48,996**	**(1,965,955)**	**41,453,601**	**117,195,559**	**210,993,399**
Profit for the year	–	–	–	–	–	–	5,198,565	5,198,565
Other comprehensive income: Realised loss on cash flow hedging instruments and effective portion of changes in fair value of fuel call options, net of tax	–	–	–	–	2,947,066	–	–	2,947,066
Exchange rate differences when converting from other currencies	–	–	–	–	(1,041,463)	(6,510,885)	–	(7,552,348)
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**1,905,603**	**(6,510,885)**	**5,198,565**	**593,283**
Dividends declared *(Note 20)*	–	–	–	–	–	–	(19,070,084)	(19,070,084)
Transfer of rights to equity instruments for share-based payments *(Note 21)*	–	2,638,011	(2,701,168)	–	–	–	–	(63,157)
Treasury shares *(Note 20)*	–	(1,310,290)	–	–	–	–	–	(1,310,290)
Equity settled share-based program *(Note 20)*	–	–	716,658	–	–	–	–	716,658
Cancelled rights of share-based payments	–	–	(162,482)	–	–	–	–	(162,482)
Other changes	–	–	–	–	–	–	(3,001,683)	(3,001,683)
At 31 December 2025	**56,758,223**	**(2,624,585)**	**(691,711)**	**48,996**	**(60,352)**	**34,942,716**	**100,322,357**	**188,695,644**

The separate statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

’000 KZT	Notes	2025	2024
OPERATING ACTIVITIES:			
Profit before tax		**8,758,846**	**36,048,572**
Adjustments for:			
Depreciation and amortisation of property, plant and equipment and intangible assets	12	85,099,154	75,169,636
Gain on disposal of property, equipment and other assets		(21,030,247)	(6,271,997)
Change in impairment allowance for trade receivables, prepayments, guarantee deposits and cash and cash equivalents	13,15, 16,18	(49,498)	(502,301)
Write-down/(Recovery) of obsolete and slow-moving inventories	14	956,942	165,712
Change in vacation accrual	24	505,925	598,536
Accrual of provision for aircraft maintenance	23	32,153,752	32,883,416
Change in customer loyalty program provision	22	(399,634)	1,909,682
Gain from early return of engine			(1,270,825)
Foreign exchange loss, net		3,648,698	8,908,616
Finance income		(10,766,109)	(10,718,174)
Finance costs		29,818,765	23,343,593
Other changes in investments in subsidiaries		–	6,968,741
Equity-settled share-based payment	20	549,692	2,841,547
Other changes in equity		(3,001,683)	862,709
Operating cash flow before movements in working capital		**126,244,603**	**170,074,754**
Change in trade and other receivables		(37,248,271)	(2,616,189)
Change in prepaid expenses and prepayments		(6,193,022)	(2,947,144)
Change in inventories		(5,423,974)	2,094,172
Change in trade and other payables and provision for aircraft maintenance		(15,533,616)	5,056,808
Change in deferred revenue		(16,623,101)	(3,761,744)
Change in other financial instruments		(754,459)	419,210
Cash generated from operations		**44,468,160**	**168,319,867**
Income tax paid		(12,694,349)	(12,997,706)
Interest received		10,762,652	10,718,174
Net cash generated from operating activities		**42,536,463**	**166,040,335**
INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		(27,543,607)	(35,274,660)
Proceeds from sales leaseback transaction	7	72,809,952	20,527,203
Proceeds from sales of property, plant and equipment		1,865,305	1,972,587
Purchase of intangible assets		(640,873)	(1,775,326)
Bank and Guarantee deposits placed		(28,061,903)	(4,746,508)
Bank and Guarantee deposits withdrawn		417,870	977,374
Investments in subsidiaries	19	–	(14,160,000)
Net cash used in investing activities		**18,846,744**	**(32,479,330)**

Continued on the next page

The separate statement of cash flows is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

’000 KZT	Notes	2025	2024
FINANCING ACTIVITIES:			
Repayment of lease liabilities	25	(69,035,645)	(78,784,625)
Interest paid	25	(20,055,514)	(19,499,399)
Repayment of borrowings and additional financing from sale and leaseback transactions	25	(241,970)	(17,199,559)
Proceeds from borrowings and additional financing from sale and leaseback	25	2,739,854	17,003,775
Proceeds from share issuance	20		54,256,673
Treasury shares		(1,310,290)	(3,952,306)
Dividends paid	20	(19,070,084)	–
Net cash used in financing activities		**(106,973,649)**	**(48,175,441)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(45,590,442)**	**85,385,564**
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies		(358,993)	(1,350,109)
Effects of movements in ECL on cash and cash equivalents		(521)	(939)
Foreign currency translation		(8,828,385)	33,257,310
CASH AND CASH EQUIVALENTS, at the beginning of the year	18	**240,949,874**	**123,658,048**
CASH AND CASH EQUIVALENTS, at the end of the year	18	**186,171,533**	**240,949,874**

The separate statement of cash flows is to be read in conjunction with the notes to, and forming part of, the separate financial statements set out on pages 16 to 71.

1. Nature of activities

Joint Stock Company Air Astana is a joint stock company (the “Company”) as defined in the Civil Code of the Republic of Kazakhstan.

The Company was established as a closed joint stock company on 14 September 2001 by Resolution of the Government of the Republic of Kazakhstan #1118 dated 29 August 2001. Due to a change in legislation introduced in 2003, the Parent Company was re-registered as a joint stock company on 27 May 2005.

The Company has a subsidiary JSC “FlyArystan” (formerly JSC “Aviation Company “Air Kazakhstan”) (hereinafter – the “Subsidiary”) which was acquired in November 2019 by purchasing one hundred percent of the shares and voting interests. Together the Company and the Subsidiary are referred to as the “Group”.

In October 2024, the Subsidiary was assigned FS code by the International Air Transport Association (IATA) and started tickets sales for passenger flights, scheduled after 31 December 2024. In December 2024, the Subsidiary operated its first charter flight. Before October 2024, the Subsidiary has not been carrying out any operating activities of passenger and cargo transportation. Starting since January 2025, the Subsidiary has commenced to carry out the activities of FlyArystan brand for provision of passengers and cargo transportation by civil aviation aircraft services.

In June 2025, the Company established a subsidiary — LLP “Air Astana Terminal Services,” in which it holds a 100% ownership interest. During the year ended 31 December 2025, the subsidiary did not conduct any operating activities and, accordingly, did not have any significant assets, liabilities, or financial results to be included in the consolidated financial statements

The Company's principal activity is the provision of scheduled domestic and international air transportation for passengers. Other activities include cargo and mail transportation.

As at 31 December 2025 and 31 December 2024, the Company operated 62 and 57 turbojet aircraft.

On 15 February 2024, the Company completed its initial public offering (“IPO”), raising KZT 54,256,673 thousand (USD 121,112 thousand). The Company listed simultaneously on three exchanges: Kazakhstan Stock Exchange, Astana International Exchange, and London Stock Exchange. In addition to the primary offering, existing shareholders JSC “National Welfare Fund “Samruk-Kazyna”, and BAE Systems Kazakhstan Limited both sold their shares (or GDRs representing shares), reducing their shareholdings to 41% and 16.95%, respectively. Other shareholders had less than 10% of shares post-IPO.

On December 18 2025, BAE Systems Kazakhstan Limited sold 9,000 thousand Global Depository Receipts (GDRs), representing 10.1% of the Company’s issued share capital. As of 31 December 2025, BAE Systems Kazakhstan Limited retains ownership of 6.85% of issued share capital.

2. Basis of accounting

Statement of compliance

These separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

Functional and presentation currency

Even though the national currency of Kazakhstan is the Kazakhstani tenge (“tenge”), the Company’s functional currency is determined as the US Dollar (“USD”). The USD reflects the economic substance of the underlying events and circumstances of the Company and is the functional currency of the primary economic environment in which the Company operates. The functional currency of the Company’s subsidiary FlyArystan is determined as the US Dollar.

2. Basis of accounting (continued)

Functional and presentation currency (continued)

All currencies other than the currency selected for measuring items in the separate financial information are treated as foreign currencies. Accordingly, transactions and balances not already measured in USD have been premeasured in USD in accordance with the relevant accounting standard requirements.

This separate financial information for the year ended 31 December 2025 has been presented in Kazakhstani tenge and values are rounded to the nearest thousand (‘000 KZT), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going.

3. Significant accounting policies

Basis of preparation

The separate financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets on the date of acquisition. The Company discloses other comprehensive income separately from its separate statement of profit or loss. The principal accounting policies set out below have been applied consistently to all periods presented in these separate financial statements.

Investments in subsidiaries

For the purposes of accounting for such investments in these separate financial statements the Company used historical cost method less impairment provision.

Revenue

Passenger revenue

The Company satisfies the performance obligations related to tickets sold and reports the sales as revenue when the transportation service performance obligation has been satisfied. The value of tickets sold and still valid but not used by the reporting date is reported as deferred (unearned) transportation revenue. This item is reduced either when the Company satisfies the performance obligation by completing the transportation service or when the passenger requests a refund. Based on historical data of previous years, the Company recognizes passenger revenue in proportion to the pattern of rights exercised by the customer in respect of a percentage of tickets sold that are expected not to be used or refunded.

The Company conducts sales through agents that act as intermediaries distributing tickets among customers. On average, accounts receivable are collected within a month from origination. The Company’s sales do not contain significant finance components due to the short-term nature of airline tickets.

Passenger revenue includes revenue from code-share agreements with other airlines. Under these agreements, the Company sells seats on these airlines’ flights and those other airlines sell seats on the Company’s flights. Revenue from the sale of code-share seats on other airlines are recorded net in the Company’s passenger revenue in profit or loss, since the Company acts as an agent in these agreements. The revenue from other airlines’ sale of code-share seats on the Company’s flights is recorded in passenger revenue in profit or loss.

Revenue related to airport charges, such as fees and taxes, are presented gross of the related costs. This is due to the fact that the Company is exposed to changes in the actual costs, and these costs are assessed by the Company based on the volume of its operations, such that the Company acts as a principal in the transactions, not as an agent.

3. Significant accounting policies (continued)

Revenue (continued)

Cargo revenue

Cargo transport services are recognised as revenue at the time when the transportation service is provided.

Customer loyalty program

Sales of tickets that result in award credits for customers, under the Company's Nomad Club Loyalty Programme, are accounted for as two separate performance obligations embedded into one contract, the ticket. The transaction price is allocated between the transportation service and the award provided based on their stand-alone selling prices. The transaction price of credit award is not recognised as revenue at the time of the initial sale transaction but is deferred and recognised as revenue when the award credits are redeemed and the Company's performance obligations have been fulfilled.

Travel agents' commissions

Travel agents' commissions are recognised as an expense when the transportation service is provided. Although such commissions represent incremental costs of obtaining a contract under IFRS 15.91, the Company applies the practical expedient in IFRS 15.94 and expenses these costs as incurred, as the expected amortisation period of the related asset does not exceed one year.

Reservation costs

Reservation costs are recognised as an expense when incurred, as the amortisation period of the asset that the Company otherwise would have recognised does not exceed one year. Accordingly, the Company applies the practical expedient in IFRS 15.94, which permits expensing incremental costs of obtaining a contract when the expected amortisation period is one year or less.

Leasing

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

(i) Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

3. Significant accounting policies (continued)

Leasing (continued)

(i) Company as a lessee (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in 'property, plant and equipment' and lease liabilities as a separate line item within borrowings in the separate statement of financial position.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) Sale and leaseback transactions

If the Company transfers an asset to another entity and leases that asset back from this same entity, the Company accounts for the transfer contract and the lease according to IFRS 16 *Leases*.

The Company applies the requirements for determining when a performance obligation is satisfied in IFRS 15 *Revenue from contracts with customers* to determine whether the transfer of an asset is accounted for as a sale of that asset.

If the transfer of an asset by the Company satisfies the requirements of IFRS 15 to be accounted for as a sale of the asset the Company measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Company. Accordingly, the Company recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. If the fair value of the consideration for the sale of an asset does not equal the fair value of the asset, or if the payments for the lease are not at market rates, the Company makes the following adjustments to measure the sale proceeds at fair value:

(a) Any below-market terms shall be accounted for as a prepayment of lease payments; and

(b) Any above-market terms shall be accounted for as additional financing provided by the buyer-lessor to the seller-lessee.

3. Significant accounting policies (continued)

Guarantee deposits

Guarantee deposits represent amounts paid to the lessors of aircraft, which are held as security deposits by the lessors in accordance with the provisions of lease agreements without transfer of title. These deposits are returned to the Company at the end of the lease period. Lease deposits relating to the lease agreements without transfer of title are presented as assets in the separate statement of financial position. At initial recognition the Company recognises a discount and a deferred asset (additional lease payment) simultaneously. The discount is amortised over the lease term using the effective interest method, and the deferred asset is amortised by equal amounts over the lease term.

Foreign currencies

In preparing the separate financial statements, transactions in currencies other than the functional currency of the Company (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

The following table summarises US Dollar exchange rates for the years ended 31 December 2025 and 31 December 2024:

	Average rate		**Reporting date spot-rate**	
USD	**2025**	**2024**	**31 December 2025**	**31 December 2024**
1,000 Tenge (KZT)	1.92	2.13	1.98	1.91
Euro (EUR)	1.13	1.08	1.17	1.04
British Pound (GBP)	1.32	1.28	1.34	1.25

The following table summarises US Dollar exchange rates for the years ended 31 December 2025 and 31 December 2024:

	Average rate		**Reporting date spot-rate**	
KZT	**2025**	**2024**	**31 December 2025**	**31 December 2024**
US Dollar (USD)	521.59	469.44	502.57	523.54
Euro (EUR)	590.15	507.86	591.68	546.47
British Pound (GBP)	687.92	600.27	679.37	659.08

Finance income and costs

Finance income comprises interest income on bank deposits and gain on financial instruments through profit and loss. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the carrying value and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance costs comprise interest expense, bank commissions, losses on financial instruments through profit and loss and other costs. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until those assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3. Significant accounting policies (continued)

Employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Taxation

Income tax expense represents the sum of the tax currently payable, tax paid for the current period and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the 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's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases 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 realised. Such assets and liabilities are not recognised if the temporary difference arises in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 tax rates that are expected to apply in the period in which the liability is settled or the asset recognised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, 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 Company intends to settle its current tax assets and liabilities on a net basis.

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

Property, plant and equipment

Property, plant and equipment held for use in the supply of services, or for administrative purposes, are stated in the separate statement of financial position at cost less accumulated depreciation and impairment losses.

The financial interest attributed to pre-delivery payments made on account of aircraft and other significant assets under construction is capitalised and added to the cost of the asset concerned.

Maintenance costs are recorded as expenses during the period when incurred, with the exception of programs that extend the useful life of the asset or increase its value, which are then capitalised (e.g. maintenance on airframes and engines).

3. Significant accounting policies (continued)

Property, plant and equipment (continued)

Aircraft

The purchase price of aircraft is denominated in US dollar.

Aircraft are depreciated using a straight-line method over their average estimated useful life of 25 years or over the lease terms, if the lease term is shorter than the 25-year period, assuming no residual value. During the operating cycle, the Company reviews whether the depreciable base or the useful life should be adjusted and, if necessary, determines whether a residual value should be recognised.

Repairs for major airframes and engines of all aircraft are treated as a separate asset component with the cost capitalised and depreciated over the period between the date of acquisition and the next major overhaul.

Major overhaul expenditure, including replacement spares and labour costs, are capitalised and amortised over the average expected life between major overhauls based on flight hours and cycles.

All other replacement spares and other costs relating to maintenance of an aircraft are charged to profit or loss upon consumption or as incurred, respectively.

Rotable spare parts

Rotable spare parts are carried in property, plant and equipment.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Other property, plant and equipment

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- Aircraft (excluding separate asset components) 25 years;
- Buildings and premises 14-50 years;
- Rotable spare parts 3-15 years;
- Office and training equipment 4-20 years;
- Vehicles 7-9 years;
- Other 2-10 years.

Depreciation is recognised so as to write off the cost of assets (other than freehold land, properties under construction and separate asset component of the aircraft) less their residual values over their useful lives, using the straight-line method. Separate asset component of an aircraft is amortised over the average expected life between major overhauls which is based on flight hours or cycles.

3. Significant accounting policies (continued)

Property, plant and equipment (continued)

Depreciation (continued)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation and impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful economic life of software for the current and comparative periods is from 7 to 10 years.

Impairment of tangible and intangible assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The Company identifies the recoverable amount as value in use of a CGU.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Contingent liabilities and contingent assets

Contingent liabilities are not recognised in the separate financial statements. They are disclosed in the notes to the separate financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the separate financial statements. Where an inflow of economic benefits is probable, they are disclosed in the notes to the separate financial statements.

3. Significant accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis, except for fuel and de-icing liquid, which are determined on the weighted average cost basis. Fuel and de-icing liquid are written off upon actual consumption. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Expenditures incurred in acquiring the inventories such as customs duties, freight and broker's services are accumulated into a separate inventory account and allocated depending on use of relevant inventory.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for aircraft maintenance under lease agreement without transfer of title

The Company is obligated to perform regular scheduled maintenance of aircraft under the terms of its lease agreements without transfer of title and regulatory requirements relating to air safety. The lease agreements also require the Company to return aircraft to lessors in a satisfactory condition at the end of the lease term, which may require the performance of final return conditions. The Company's scheduled aircraft maintenance programs carried out through the lease periods are designed to reduce the incidence of final return costs. Major aircraft maintenance relates to airframes (referred to as the C- check, D-check and redelivery preparation program) and engines. The C-check is heavy maintenance with approved performance intervals. It takes place the earliest of every 6,000 – 12,000 flight hours, 3,000 – 8,000 flight cycles and 18-36 months according to aircraft type.

The D-check (4C, 6YR, 12YR) is heavy maintenance connected with deep aircraft disassembly, structure inspection and anticorrosion prevention program. It takes place with an interval of not more than 72 months. Engine overhaul occurs after specified flight hours or cycles occur. Some of the lease agreements without transfer of title include a component of variable lease payments which is generally reimbursable to the Company by lessors as a contribution to engine maintenance costs after they are incurred.

The variable lease payments are recognised as an expense in profit or loss as incurred. In the case of other lease agreements without transfer of title variable lease payments are replaced (subject to certain conditions) by Letters of Credit as security for Lessors to cover any unfulfilled maintenance liabilities on the return of the aircraft, and amounts corresponding to the applicable variable lease amounts are included in provisions. For C-check maintenance, a provision is recorded on a progressive basis based upon the Company's estimate of future maintenance costs. For engine maintenance, a provision is recorded on a progressive basis based upon the Company's estimate of the excess of maintenance costs over the amount reimbursable by the lessors. The Company's aircraft maintenance liabilities are due in US Dollars. Maintenance costs are recognized on a net basis with expected benefits.

3. Significant accounting policies (continued)

Provisions (continued)

Provision for aircraft maintenance under lease agreement without transfer of title (continued)

For scheduled maintenance events that are dependent on aircraft utilisation (flight hours or flight cycles), the Company recognises a provision on a progressive basis as the aircraft is operated.

The expected cost of each major maintenance event is estimated and allocated over the relevant maintenance interval (in flight hours, flight cycles or calendar time, as applicable). A cost rate per flight hour or flight cycle is determined, and the provision is accrued based on actual utilisation accumulated since the last maintenance event.

Overhaul and restoration works (not depending on aircraft utilisation)

Costs resulting from restoration work required to be performed just before returning aircraft to the lessors, such as painting of the shell or aircraft overhaul are recognized as provisions as of the inception of the contract. The counterpart of these provisions is booked as a complement through the initial book value of the aircraft right-of-use assets. This complement to the right-of-use asset is depreciated over the lease term.

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. Significant accounting policies (continued)

Classification and subsequent measurement (continued)

Financial assets (continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to the management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether the management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

3. Significant accounting policies (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different (referred to as ‘substantial modification’), then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is de-recognised and a new financial asset is recognised at fair value.

The Company performs a quantitative and qualitative evaluation of whether the modification is substantial, i.e. whether the cash flows of the original financial asset and the modified or replaced financial asset are substantially different. The Company assesses whether the modification is substantial based on quantitative and qualitative factors in the following order: qualitative factors, quantitative factors, combined effect of qualitative and quantitative factors. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset is deemed to have expired. In making this evaluation the Company analogizes to the guidance on the de-recognition of financial liabilities.

3. Significant accounting policies (continued)

Modification of financial assets and financial liabilities (continued)

Financial assets (continued)

The Company concludes that the modification is substantial as a result of the following qualitative factors:

- Change the currency of the financial asset;
- Change in collateral or other credit enhancement.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

Financial liabilities

The Company de-recognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

If a modification (or exchange) does not result in the de-recognition of the financial liability the Company applies an accounting policy consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the de-recognition of the financial asset, i.e. the Company recognises any adjustment to the amortised cost of the financial liability arising from such a modification (or exchange) in profit or loss at the date of the modification (or exchange).

Changes in cash flows on existing financial liabilities are not considered as modification, if they result from existing contractual terms, e.g. changes in fixed interest rates initiated by banks due to changes in the Secured Overnight Financing Rate (SOFR), National Bank of Kazakhstan rates (NBRK) and other key rates. The Company treats the modification of an interest rate to a current market rate using the guidance on variable-rate financial instruments. This means that the effective interest rate is adjusted prospectively.

The Company performs a quantitative and qualitative evaluation of whether the modification is substantial considering qualitative factors, quantitative factors and combined effect of qualitative and quantitative factors. The Company concludes that the modification is substantial as a result of the following qualitative factors:

- Change in the currency of the financial liability;
- Change in collateral or other credit enhancement;
- Inclusion of conversion option;
- Change in the subordination of the financial liability.

For the quantitative assessment the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

3. Significant accounting policies (continued)

De-recognition

Financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its separate statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not de-recognised.

Financial liabilities

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the separate statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives and hedging activities

Initial recognition and subsequent measurement

The Company uses derivative financial instruments such as commodity derivatives to hedge its risks associated with jet-fuel price fluctuations. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contracts are entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair value of commodity derivatives are determined by reference to available market information and swap/forward valuation methodology. Any gains or losses arising from changes in fair value of derivatives are taken directly to separate statement of profit or loss, except for the effective portion and cost of hedging for cash flow hedges, which are recognised in OCI.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

The Company considers transactions with the probability of occurrence more than ninety percent highly probable transactions.

3. Significant accounting policies (continued)

Derivatives and hedging activities (continued)

Initial recognition and subsequent measurement (continued)

At the inception of the hedge, the Company formally designates and documents the hedging relationship to which the Company wishes to apply hedge accounting, and the risk management objective and strategy for undertaking the hedge. That documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the entity will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis at each reporting date or upon a significant change in the circumstances affecting the hedge effectiveness requirements, whichever comes first. The assessment relates to expectations about hedge effectiveness and is therefore only forward-looking.

Hedges that meet the strict criteria for hedge accounting are accounted for as described below:

Cash flow hedges

The effective portion of the gains or losses on the hedging instrument is recognised directly in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the separate statement of profit or loss.

The Company uses fuel options contracts as hedges of its exposure to jet fuel price fluctuations in forecast transactions and firm commitments. The ineffective portion relating to the ineffective portion relating to commodity contracts is recognised in the separate statement of profit or loss.

Amounts recognised as OCI are transferred to the separate statement of profit or loss when the hedged transaction affects the separate statement of profit or loss, such as when the hedged financial expense is recognised or when a forecast transaction occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to the separate statement of profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in OCI remains in OCI until the forecast transaction or firm commitment affects separate statement of profit or loss.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

Cost of hedging

If the time value of a purchased option is separated and excluded from the designated hedging instrument, then the excluded portion is separately accounted for as a cost of hedging. As such, the change in fair value of the excluded portion is recognised in OCI and accumulated in a separate component of equity to the extent that it relates to the hedged item.

As a result of the above accounting, fluctuations in the fair value of the time value element will be accounted in OCI, both positive and negative. At the maturity date, the time value of option becomes zero, the fair value is equal to the intrinsic value.

3. Significant accounting policies (continued)

Derivatives and hedging activities (continued)

Crude oil commodity options

The Company has also entered into certain crude oil commodity options to mitigate the risk of variability of future cash flows on jet fuel consumptions. These are just purely economic hedges and changes to its value are directly charged to the separate statement of profit or loss within ‘Fuel and oil costs’.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Guarantee deposits and bank balances that are determined to have low credit risk at the reporting date; and
- Other guarantee deposits and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due or if the external credit rating assigned to a financial asset by an international rating agency falls by six notches according to Standard and Poor’s Global Ratings (S&P Global Ratings), Moody’s or Fitch credit rating agencies.

The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of ‘investment grade’. The Company considers this to be Baa3 or higher per Moody’s or BBB- or higher per S&P Global Ratings.

Lifetime ECLs are the ECLs that result from all possible default events over the contractual life of a financial instrument.

3. Significant accounting policies (continued)

Impairment of financial assets (continued)

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation;
- Or the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the separate statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off.

4. Application of new and revised international financial reporting standards in separate financial statements

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these separate financial statements.

4. Application of new and revised international financial reporting standards in separate financial statements (continued)

New standards and interpretations not yet adopted (continued)

(p) IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements.* IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected material impacts on Company’s financial statements are, as follows:

- New disclosures will be added: (a) management-defined performance measures; and (b) a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1;
- Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows.

(q) Other accounting standards

The following new and amended standards are not expected to have a significant impact on the Company’s separate financial statements.

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025);
- Annual Improvements Volume 11 (issued on 18 July 2024);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024).

As the Company’s equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

4. Application of new and revised international financial reporting standards in separate financial statements (continued)

New and amended standards and interpretations

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(a) Lack of exchangeability – Amendments to IAS 21

For annual reporting periods beginning on or after 1 January 2025, *Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates* specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments did not have a material impact on the Company's financial statements.

5. Critical accounting judgments and key sources of estimation uncertainty

The preparation of separate financial statements in conformity with IFRS Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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.

The following are the critical judgments and estimates that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the separate financial statements.

Provisions

Provisions mainly consist of provision for aircraft maintenance *(Note 23).*

Determination of the functional currency

The functional currency of the Company is USD which, in the management's view, reflects the economic substance of the underlying events and circumstances of the Company at the reporting date. At each reporting date the management of the Company reassesses factors that may affect the determination of the functional currency based on circumstances at the reporting date. Significant judgment is required from the management when analysing indicators of the primary economic environment including the pricing policy, structure of revenues from international and domestic routes, costs structure as well as continued development in the strategy of the Company for further development of international routes. Future circumstances, therefore, may be different and may result in a different conclusion.

Useful lives of property, plant and equipment

In reporting intangible assets and tangible assets, an assessment is made of the useful economic life. The Company reviews the useful lives of property, plant and equipment and intangible assets at least annually and adjusts them if expectations differ from previous estimates.

The Company assesses at each reporting date whether there are indicators that an asset may be impaired. If such indicators exist, the impairment test is made. Certain assets, such as goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use, are tested for impairment at least annually irrespective of whether impairment indicators exist.

5. Critical accounting judgments and key sources of estimation uncertainty (continued)

Allowances

The Company accrues allowances for impairment of accounts receivable. The Company calculated the probability of default of accounts receivable based on the lifetime approach. Changes in the economy and specific customer conditions may require adjustments of the probability of default and loss given default coefficient derived based on the historical information and thus adjustment of the allowances for doubtful accounts recorded in the separate financial statements. As at 31 December 2025 and 31 December 2024, allowances for doubtful accounts were equal to KZT 385,214 thousand and KZT 463,147 thousand, respectively *(Note 16).*

Other financial assets are mainly credit rated by one or more international credit rating agencies: Moody's, Fitch, and S&P Global Ratings. The estimated credit loss is calculated for the entire useful life for those assets whose credit risk has increased significantly comparing to its level at the initial recognition date. Once the instrument is impaired the Company calculates allowances for doubtful accounts based on the expected future cash flows discounted at the original effective interest rate.

Losses are recognised in profit or loss and reflected in an allowance account. When the Company believes that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When credit risk significantly decreases for those assets which previously have been classified in Stage 2, the Company performs an analysis to determine whether the current financial position of the borrower is stable enough to reclassify such assets back to Stage 1. As at 31 December 2025 impairment allowances were equal to KZT 22,513,273 thousand as disclosed in *Note 16* (31 December 2024: KZT 23,292,304 thousand).

The Company annually estimates the necessity of write-down for obsolete and slow-moving inventories based on annual stock count data conducted at the reporting date. As at 31 December 2025, the Company recognised a write-down for obsolete and slow-moving inventories in the amount of KZT 3,771,759 thousand (31 December 2024: KZT 2,935,365 thousand) *(Note 14).*

Customer loyalty program

The Company's Nomad Club Loyalty program is an incentive program under which passengers are granted points for each flight. Once a passenger accumulates a certain number of points he or she can convert the points into a ticket. Loyalty points granted to customers represent a separate performance obligation. Accordingly, a portion of the transaction price of the related ticket sales is allocated to the loyalty points and recognised as a contract liability until the points are redeemed or expire.

While calculating the contract liability related to the customer loyalty program, the Company uses critical judgements and estimates in regard to the expected redemption rate of points and the standalone selling price ("SSP") per point by Nomad Club members. The estimated redemption rate applied as at 31 December 2025 and 31 December 2024 were 52.19% and 52.53%.

The Company uses estimated ticket values to calculate the program's point value. Outstanding unutilized points as of each reporting date are treated as a contract liability (deferred revenue). Points are valued based on the weighted average standalone prices of tickets redeemed by route and class. The weighted average standalone selling price per point as at 31 December 2025 and 31 December 2024 were approximately USD 0.0122 and 0.0136 per point.

Based on historical statistics the Company determines the amount of breakage with regards to those points whose usage is not probable. Breakage is recognised as revenue in proportion to the pattern of point redemptions when it becomes highly probable that a significant reversal of revenue will not occur. The estimated breakage rate applied as at 31 December 2025 and 31 December 2024 were 47.81% and 47.47%.

5. Critical accounting judgments and key sources of estimation uncertainty (continued)

Lease term

Some property leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Company has applied judgment to determine the lease term for some lease contracts in which it is a lessee, based on the period for which the contract is enforceable. The Company considers that enforceability of the lease is established by a written contract (including broader interpretation of a penalty) in combination with applicable legislation governing the lease contract related to renewal or termination rights (specifically the lessee's preferential rights to renew or not to cancel the lease). The Company determined that its preferential right to renew or not to cancel would on its own be treated as substantive, when the Company has a preferential right to renew or not to cancel the lease through a negotiation mechanism under the Civil Code of Kazakhstan. Thus, considering the broader economics of the contract, and not only the contractual termination payments, the lease term may go beyond the contract term.

Deferred tax asset recoverability and compliance with tax legislation

Tax legislation of Kazakhstan are subject to frequent changes and varying interpretations. The management's interpretation of such legislation in applying it to business transactions of the Company may be challenged by the relevant regional authorities enabled by law to impose fines and penalties. It is possible that the tax treatment of transactions that have not been challenged in the past may be challenged. Fiscal periods remain open to review by the tax authorities in respect of taxes for the five calendar years preceding the year of tax review.

Under certain circumstances reviews may cover longer periods. While the Company believes it has provided adequately for all tax liabilities based on its understanding of the tax legislation, the above facts may create additional financial risks for the Company.

Critical accounting judgements and key sources of estimation uncertainty in the determination of the impact of climate change

As a result of climate change the Company has designed and approved its climate strategy, which commits the Company to net zero emissions by 2050. While approved business plans currently have a duration of five years, the climate strategy impacts both the short, medium and long-term operations of the Company.

The details regarding the inputs and assumptions used in the determination of the climate strategy include, but are not limited to, the following that are within the control of the Company:

- With the introduction of SAF mandates in key international markets, we anticipate increased fuel costs and potential infrastructure adaptation requirements. Although SAF is not yet widely available, we recognise its importance in aviation decarbonisation and have taken proactive steps to prepare for SAF integration;
- The cost of incurring an increase in the level of carbon offsetting and carbon capture schemes; and
- The impact of introducing more fuel-efficient aircraft and being able to operate these more efficiently.

5. Critical accounting judgments and key sources of estimation uncertainty (continued)

Critical accounting judgements and key sources of estimation uncertainty in the determination of the impact of climate change (continued)

In addition to these inputs and measures within the control of management, Flightpath Net Zero includes assumptions pertaining to consumers, governments and regulators regarding the following:

- The impact on passenger demand for air travel as a result of both passenger trends regarding climate change and government policies;
- Investment and policy regarding the development of Sustainable Aviation Fuel (SAF) production facilities;
- Investment and improvements in air traffic management; and
- The price of carbon through the EU and UK Emissions Trading Schemes (ETS) and the UN Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

The level of uncertainty regarding the impact of these factors increases over time. Accordingly, the Company has applied estimation in the evaluation of the impact of climate change regarding the recognition and measurement of assets and liabilities within the financial statements.

6. Discontinued operation and segment reporting

During 2024, the Group completed the transfer of the FlyArystan low-cost business from Air Astana JSC to a separate legal entity, FlyArystan JSC, which obtained its own Air Operator Certificate in April 2024.

Management assessed that FlyArystan represents a separate major line of business within the Group, with clearly distinguishable operations, revenues, and cash flows.

The transfer of operations to a separate legal entity constitutes a disposal of a component of the entity under IFRS, as the Group effectively separated and reorganised this business into an independent operating structure.

This transaction represents a strategic shift in the Group’s operations, as it resulted in the low-cost segment being managed and operated independently from the full-service airline segment.

6. Discontinued operation and segment reporting (continued)

Accordingly, the results of FlyArystan have been presented as a discontinued operation for the year ended 31 December 2024.

’000 KZT **Separate Profit or Loss statement for discontinued operations**	**2024**
Revenue and other income	
Passenger revenue	154,462,331
Cargo and mail revenue	1,130,717
Other income	1,497,020
Total revenue and other income	**157,090,068**
Operating expenses	
Fuel and oil costs	(39,476,915)
Employee and crew costs	(22,649,451)
Aircraft lease costs	(20,436,398)
Depreciation and amortisation	(14,784,776)
Engineering and maintenance	(13,959,702)
Handling, landing fees and route charges	(12,848,341)
Passenger service	(7,408,679)
Consultancy, legal and professional services	(1,916,138)
Selling costs	(1,471,090)
Insurance	(1,105,857)
IT and communication costs	(1,027,300)
Property and office costs	(227,898)
Other operating costs	(460,069)
Total operating expenses	**(137,772,614)**
Operating profit	19,317,454
Finance income	841,603
Finance costs	(9,681,830)
Foreign exchange loss, net	(3,474,360)
Profit before tax	**7,002,867**
Income tax expense	(3,207,813)
Profit for the year	**3,795,054**
Basic and diluted earnings per share (in tenge) related to discontinued operations	**10.878**

’000 KZT	**2024**
Cash flows from/(used in) discontinued operations	
Net amount of cash used in operating activities	54,793,311
Net amount of cash received from investing activities	(6,820,659)
Net amount of cash received from financing activities	(38,407,125)
Net cash flows for the year	**9,565,527**

Segment reporting

For management purposes, the Group is organised into legal entities based on its services and has two reportable segments, as follows:

- Full-service brand Air Astana, that provides scheduled and charter, point-to-point and transit, short-haul and long-haul air travel and cargo on domestic, regional and international routes;
- Low-cost brand FlyArystan, that provides scheduled short haul and medium-haul, point-to-point air travel across Kazakhstan and further into the Caucasus, Central Asia, Turkey and the Middle East.

No operating segments have been aggregated to form the above reportable operating segments.

6. Discontinued operation and segment reporting (continued)

Segment reporting (continued)

The Group's management makes decisions regarding resource allocation to segments based upon the results and the activities of its full-service brand Air Astana and low-cost brand FlyArystan segments for the purpose of segments' performance evaluation. The Group management uses the operating profit calculated according to IFRS accounting standards while evaluating the performance of the segments adjusted for the impact of inter-segments leases.

The Group amended the treatment of intercompany leases costs between Air Astana and FlyArystan in its segment reporting to consistently apply IFRS 16 *Leases* in both operating segments.

As a result of this change, the Group has recognized the depreciation of right-of-use assets arising from these intercompany lease transactions with FlyArystan. These transactions are treated as inter-segment transactions and are reflected in elimination section of the segment report. The Group does not conduct separate analyses of the financial position for each segment.

Operating results for the years ended 31 December 2025 and 2024:

'000 KZT

Separate Profit or Loss statement	2025 Air Astana	2025 FlyArystan	Inter-group elimination	Consolidated	Adjustments	Standalone Profit or Loss Statement Air Astana
Revenue and other income						
Passenger revenue	547,229,750	173,818,623	(1,871)	721,046,502	(173,816,752)	547,229,750
Other income	38,722,541	1,181,059	(35,511,893)	4,391,707	45,850,187	50,241,894
Gain from sale and leaseback transactions	19,256,118	–	–	19,256,118	–	19,256,118
Cargo and mail revenue	14,275,055	1,035,775	(1,038,424)	14,272,406	2,649	14,275,055
Lease	11,519,352	28,277,948	(39,797,300)	–	–	–
Total revenue and other income	**631,002,816**	**204,313,405**	**(76,349,488)**	**758,966,733**	**(127,963,917)**	**631,002,817**
Operating expenses						
Fuel and oil costs	(127,763,990)	(45,540,717)	166,917	(173,137,790)	45,373,800	(127,763,990)
Employee and crew costs	(124,772,325)	(25,705,192)	14,333,405	(136,144,112)	11,371,787	(124,772,325)
Depreciation and amortisation	(85,099,154)	(39,888,983)	5,196,056	(119,792,081)	34,692,927	(85,099,154)
Passenger service	(63,795,137)	(10,137,701)	506,424	(73,426,414)	9,631,277	(63,795,137)
Engineering and maintenance	(61,426,107)	(41,421,349)	26,745,928	(76,101,528)	25,168,901	(50,932,627)
Handling, landing fees and route charges	(60,741,546)	(15,541,308)	2,677,702	(73,605,152)	12,863,606	(60,741,546)
Selling costs	(25,322,301)	(1,308,216)	–	(26,630,517)	1,308,216	(25,322,301)
Aircraft variable lease costs	(18,946,992)	(3,331,885)	21,116,353	(1,162,524)	(28,277,948)	(29,440,472)
Insurance	(5,036,884)	(2,020,399)	12	(7,057,271)	2,020,387	(5,036,884)
Consultancy, legal and professional services	(3,906,646)	(9,226,276)	10,044,040	(3,088,882)	(817,764)	(3,906,646)
Information technology	(3,750,928)	(462,993)	9,950	(4,203,971)	453,043	(3,750,928)
Property and office costs	(2,465,618)	(62,228)	2,763	(2,525,083)	59,465	(2,465,618)
Taxes, other than income	(2,705,861)	(225,329)	–	(2,931,190)	225,329	(2,705,861)
Other expenses	(13,797,410)	(900,537)	1,386,810	(13,311,137)	(486,273)	(13,797,410)
Total operating expenses	**(599,530,899)**	**(195,773,113)**	**82,186,360**	**(713,117,652)**	**113,586,753**	**(599,530,899)**
Operating profit	**31,471,917**	**8,540,292**	**5,836,872**	**45,849,081**	**(14,377,163)**	**31,471,918**
Finance income	10,835,469	6,704,927	(5,906,879)	11,633,517	(867,408)	10,766,109
Finance costs	(29,899,844)	(19,422,353)	6,428,722	(42,893,475)	13,062,992	(29,830,483)
Foreign exchange loss, net	(3,648,703)	(494,333)	43	(4,142,993)	494,295	(3,648,698)
Profit before tax	**8,758,839**	**(4,671,467)**	**6,358,758**	**10,446,130**	**(1,687,284)**	**8,758,846**
Income tax expense	(3,560,281)	137,013	–	(3,423,268)	(137,013)	(3,560,281)
Profit for the period	**5,198,558**	**(4,534,454)**	**6,358,758**	**7,022,862**	**(1,824,297)**	**5,198,565**

6. Discontinued operation and segment reporting (continued)

Segment reporting (continued)

’000 KZT

Separate Profit or Loss statement	2024 Air Astana	2024 FlyArystan	Inter-group elimination	Consolidated	Adjustments	Standalone Profit or Loss Statement Air Astana
Revenue and other income						
Passenger revenue	431,102,676	154,712,142	(4,776)	585,810,042	(154,707,366)	431,102,676
Lease	32,175,372	10,412,047	(42,587,419)	–	–	–
Cargo and mail revenue	11,282,497	1,130,717	–	12,413,214	(1,130,717)	11,282,497
Gain from sale and leaseback transactions	5,930,837	6,570,558	–	12,501,395	(6,570,558)	5,930,837
Other income	5,223,018	817,500	(613,136)	5,427,382	1,852,381	7,279,763
Total revenue and other income	**485,714,400**	**173,642,964**	**(43,205,331)**	**616,152,033**	**(160,556,260)**	**455,595,773**
Operating expenses						
Fuel and oil costs	(103,776,758)	(39,596,364)	–	(143,373,122)	39,596,364	(103,776,758)
Employee and crew costs	(80,778,424)	(26,360,223)	463,354	(106,675,293)	25,896,869	(80,778,424)
Depreciation and amortisation	(73,737,181)	(28,736,827)	13,756,315	(88,717,693)	28,332,833	(60,384,860)
Passenger service	(48,355,012)	(7,432,715)	–	(55,787,727)	7,432,715	(48,355,012)
Engineering and maintenance	(45,900,983)	(26,956,128)	17,413,658	(55,443,453)	22,151,165	(33,292,288)
Handling, landing fees and route charges	(43,804,898)	(12,929,150)	1,913	(56,732,135)	12,927,237	(43,804,898)
Selling costs	(19,305,623)	(1,472,379)	886	(20,777,116)	1,471,493	(19,305,623)
Aircraft variable lease costs	(8,986,862)	(1,828,469)	8,431,118	(2,384,213)	(5,819,432)	(8,203,645)
Insurance	(4,168,951)	(1,844,294)	–	(6,013,245)	1,844,294	(4,168,951)
Consultancy, legal and professional services	(3,557,126)	(411,718)	94,240	(3,874,604)	317,478	(3,557,126)
Information technology	(2,183,775)	(1,040,960)	–	(3,224,735)	1,040,960	(2,183,775)
Property and office costs	(1,971,589)	(229,095)	–	(2,200,684)	229,095	(1,971,589)
Taxes, other than income	(2,014,625)	(28,385)	–	(2,043,010)	28,385	(2,014,625)
Other expenses	(5,664,077)	(918,381)	2	(6,582,456)	918,379	(5,664,077)
Total operating expenses	**(444,205,884)**	**(149,785,088)**	**40,161,486**	**(553,829,486)**	**136,367,835**	**(417,461,651)**
Operating profit	**41,508,516**	**23,857,876**	**(3,043,845)**	**62,322,547**	**(24,188,425)**	**38,134,122**
Finance income	8,329,753	2,976,338	(929,134)	10,376,957	(347,594)	10,029,363
Finance costs	(23,751,027)	(11,285,795)	4,418,319	(30,618,503)	16,934,979	(13,683,524)
Foreign exchange loss, net	(6,192,683)	(3,747,280)	–	(9,939,963)	4,505,707	(5,434,256)
Profit before tax	**19,894,559**	**11,801,139**	**445,340**	**32,141,038**	**(3,095,333)**	**29,045,705**
Income tax expense	(4,192,591)	(2,425,853)	–	(6,618,444)	2,425,853	(4,192,591)
Profit for the period	**15,701,968**	**9,375,286**	**445,340**	**25,522,594**	**(669,480)**	**24,853,114**

7. Revenue and other income

’000 KZT	**2025**	**2024**
Passenger revenue		
Scheduled passenger flights including:	507,064,647	399,681,822
Fuel surcharge	*61,595,730*	*45,483,149*
Airport services	*29,030,853*	*21,334,175*
Excess baggage	*2,050,993*	*1,873,788*
Charter flights	40,165,103	31,420,854
	547,229,750	**431,102,676**

Passenger revenue increased by KZT 116,127,074 thousand, or 27% increase, for the period ended 31 December 2025 as compared to the same period in 2024.

’000 KZT	**2025**	**2024**
Cargo and mail revenue		
Cargo – Regular	13,161,723	10,323,748
Mail	1,113,332	958,749
	14,275,055	**11,282,497**

’000 KZT	**2025**	**2024**
Other income		
Incidental income	907,154	3,342,675
Income from operating lease	–	2,056,745
Income from ground services	960,433	815,232
Income from advertising	615,411	514,351
Gain on disposal of property, plant and equipment and other assets	1,774,129	341,164
Income from outsourcing services to the subsidiary	45,337,509	–
Other	647,258	209,596
	50,241,894	**7,279,763**

7. Revenue and other income (continued)

Gain from sale and leaseback transactions

In 2025 six of the Company's engines were sold as a part of sale and leaseback transactions. The Company measured the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained by the Company. Accordingly, the Company recognized a net gain of KZT 19,256,118 thousand which represents the excess of the sale proceeds over lease liabilities and the changes in engines' related assets.

The Company has sold the spare engines for the total amount of KZT 23,242,325 thousand with the carrying value of KZT 8,446 848 and recognised a right-of-use assets of KZT 3,382,821 thousand and lease liabilities of KZT 7,697,511 thousand. Under the lease agreement the Company has leased back the spare engines for eight years with monthly payments. The Company has recognized KZT 2,739,854 thousand as the excess of sale proceeds above the fair value of the underlying asset as financing cash inflow with KZT 20,563,644 thousand presented within investing activities in the separate statement of cash flows. As at 31 December 2025 the financial liability of KZT 2,509,956 thousand was presented as the part of long-term loans in the separate statement of financial position.

In accordance with paragraph 100(a) of IFRS 16, at the effective date, the Company measured the right of use arising from the leaseback of engines at the proportion of the previous carrying amount of the engines attributable to the right of use retained by the Company, which is KZT 34,611,617 thousand. Accordingly, the Company recognized a net gain of KZT 19,256,118 thousand, which represents the excess of proceeds from sale over lease liabilities and changes in assets related to engines.

The Company purchased a spare engine in June 2024 which were immediately sold as part of a sale and leaseback transaction. Additionally, one engine purchased in April 2024 was sold in December 2024 as a part of sale and leaseback transaction. The Company measured the right-of-use assets arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained by the Company. Accordingly, the Company recognized a net gain of KZT 5,930,837 thousand which represents the excess of the sale proceeds over lease liabilities and the changes in engines' related assets. The Company has sold the spare engines for the total amount of KZT 20,527,203 thousand and recognised a right-of-use assets of KZT 6,197,263 thousand and lease liabilities of KZT 11,070,253 thousand. Under the lease agreement the Company has leased back the spare engines for eight years with monthly payments.

During 2025 and 2024 passenger, cargo and mail revenue, representing total revenue from contracts with customers, were generated from the following destinations in each operating segment:

'000 KZT	2025 Air Astana	2024 Air Astana
Asia and Middle East	265,823,853	176,259,724
Domestic	130,956,687	113,394,731
Europe	122,551,870	117,592,123
CIS	42,172,395	35,138,595
Total Passenger and Cargo and mail revenue	**561,504,805**	**442,385,173**

8. Operating expenses

'000 KZT	2025	2024
Employee and crew costs		
Salaries	94,981,916	61,758,123
Accommodation and allowance	11,670,962	7,721,016
Social tax	9,634,710	5,392,491
Training	2,736,183	1,943,647
Other	5,748,554	3,963,147
	124,772,325	**80,778,424**

8. Operating expenses (continued)

The average number of employees during the period ended 31 December 2025 was 5,619 (31 December 2024: 5,080).

’000 KZT	2025	2024
Engineering and maintenance		
Maintenance, including components	26,056,134	17,716,212
Maintenance – variable lease payments	13,195,643	8,236,560
Spare parts	10,374,124	6,154,117
Technical inspection	1,306,726	1,185,399
	50,932,627	**33,292,288**

’000 KZT	2025	2024
Handling, landing fees and route charges		
Handling charge	25,679,607	18,564,710
Aero navigation	25,006,155	17,136,191
Landing fees	8,772,060	7,299,176
Other	1,283,724	804,821
	60,741,546	**43,804,898**

’000 KZT	2025	2024
Passenger service		
Airport charges	27,236,978	19,975,163
Catering	22,342,766	18,040,219
In-flight entertainment	3,718,377	2,682,708
Security	3,282,788	2,485,948
Other	7,214,228	5,170,974
	63,795,137	**48,355,012**

’000 KZT	2025	2024
Selling costs		
Reservation costs	14,067,765	10,735,600
Commissions	6,355,006	4,459,245
Advertising	4,545,097	3,809,565
Other	354,433	301,213
	25,322,301	**19,305,623**

9. Finance income and costs

’000 KZT	2025	2024
Finance income		
Interest income on bank deposits	9,781,151	9,877,097
Other	984,958	152,266
	10,766,109	**10,029,363**

’000 KZT	2025	2024
Finance costs		
Interest expense on lease liabilities *(Note 25)*	20,769,770	11,788,533
Unwinding of the discount of provision for aircraft maintenance *(Note 23)*	3,806,021	1,803,592
Other	5,254,692	91,399
	29,830,483	**13,683,524**

10. Income tax expense

The Company's income tax expense for the years ended 31 December was as follows:

’000 KZT	2025	2024
Current income tax		
Current income tax	(16,838,294)	(11,660,630)
Adjustment recognised in the current year in relation to the current tax of prior years	2,663,079	1,304,654
	(14,175,215)	**(10,355,976)**
Deferred tax expense		
Deferred income tax benefit	10,614,934	2,955,572
	10,614,934	**2,955,572**
	(3,560,281)	**(7,400,404)**

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. In addition, as the Company has a functional currency that is different from the currency of the country in which it is domiciled, it recognises temporary differences on changes in exchange rates which lead to changes in the tax basis rather than the book basis.

The tax effect on the major temporary differences that give rise to the deferred income tax assets and liabilities as at 31 December 2025 and 31 December 2024 is presented in the table below:

’000 KZT	31 December 2025	31 December 2024
Deferred tax assets		
Lease liabilities	64,517,441	55,588,670
Provision for aircraft maintenance	32,517,371	29,440,817
Trade and other payables	4,209,214	1,769,096
Trade receivables	1,256,020	1,843,661
Other	754,302	587,073
Total deferred tax assets	**103,254,348**	**89,229,317**
Deferred tax liabilities		
Right of use assets	(55,957,247)	(49,818,236)
Difference in depreciable value of property, plant and equipment and intangible assets	(16,632,072)	(16,778,840)
Inventories	(1,901,001)	(2,322,036)
Prepaid expenses	(821,047)	(1,173,096)
Other	(26,603)	(86,118)
Total deferred tax liabilities	**(75,337,970)**	**(70,178,326)**
Net deferred tax assets	**27,916,378**	**19,050,991**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

Movements in deferred tax assets and liabilities presented above were recorded in profit or loss accounts, except for KZT 724,169 thousand related to carried forward corporate income tax movements, which were recognised in equity relating to the realised portion of deferred tax on cash flows hedge and effective portion of changes in fair value (2024: KZT 1,229,723 thousand).

In accordance with the local tax legislation both hedged and unhedged foreign currency losses are treated as deductible expenses for the purpose of corporate income tax calculations. If such deductible expenses cannot be fully utilized in the year of origination the tax code permits an entity to carry forward the accumulated tax losses for the next ten years.

The Company does not have material temporary differences associated with investments in subsidiaries for which deferred tax liabilities have not been recognised.

10. Income tax expense (continued)

As at 31 December 2025 and 2024 the Company did not have unused tax losses, tax credits or deductible temporary differences for which deferred tax assets were not recognised.

The income tax rate in the Republic of Kazakhstan, where the Company is located, in 2025 and 2024 was 20%. The taxation charge for the year is different from that which would be obtained by applying the statutory income tax rate to profit or loss before income tax.

Below is a reconciliation of theoretical income tax at 20% (2024: 20%) to the actual income tax expense recorded in the Company's separate statement of profit or loss:

’000 KZT	31 December 2025	31 December 2024
Profit before tax	**8,758,846**	**36,048,572**
Corporate income tax, %	20%	20%
Income tax at statutory rate	(1,751,769)	(7,209,714)
USD forex effect	647,738	95,495
Tax effect of non-deductible expenses	(2,388,808)	(286,185)
Other changes	(67,442)	–
Income tax expense	**(3,560,281)**	**(7,400,404)**

11. Property, plant and equipment

’000 KZT	Rotable spare parts	Office and training equipment	Building, premises and land	Vehicles	Aircraft under lease	Equipment in transit and construction in progress	Total
Cost							
At 1 January 2024	**52,809,872**	**10,652,614**	**21,857,063**	**1,303,678**	**626,232,766**	**1,135,036**	**713,991,029**
Additions	11,316,464	1,776,070	4,657,852	2,012,370	92,745,110	1,986,597	114,494,463
Disposals	(1,504,242)	(286,360)	(661,000)	(53,889)	(137,102,654)	–	(139,608,145)
Other transfers	(4,302,869)	–	–	4,073,705	229,164	–	–
Foreign currency translation reserve	8,531,479	1,871,287	3,798,522	1,024,937	92,033,932	611,374	107,871,531
At 31 December 2024	**66,850,704**	**14,013,611**	**29,652,437**	**8,360,801**	**674,138,318**	**3,733,007**	**796,748,878**
Additions	37,401,667	1,429,710	3,639,839	564,673	86,279,708	3,609,327	132,924,924
Disposals	(14,121,667)	(1,308,366)	(431,579)	(178,458)	(13,983,844)	–	(30,023,914)
Foreign currency translation reserve	(3,225,547)	(571,585)	(1,192,276)	(329,941)	(26,732,859)	(281,091)	(32,333,299)
At 31 December 2025	**86,905,157**	**13,563,370**	**31,668,421**	**8,417,075**	**719,701,323**	**7,061,243**	**867,316,589**
Accumulated depreciation							
At 1 January 2024	**22,066,161**	**3,966,491**	**7,015,224**	**759,570**	**297,266,330**	**–**	**331,073,776**
Charge for the year	5,587,524	1,198,893	2,340,387	448,130	50,596,676	–	60,171,610
Disposals	(518,315)	(276,709)	(642,480)	(40,045)	(51,177,824)	–	(52,655,373)
Other transfers	(1,768,566)	–	–	1,768,566	–	–	–
Foreign currency translation reserve	3,712,212	733,153	1,295,991	452,839	63,842,741	–	70,036,936
At 31 December 2024	**29,079,016**	**5,621,828**	**10,009,122**	**3,389,060**	**360,527,923**	**–**	**408,626,949**
Charge for the year	7,718,246	1,274,694	2,848,639	625,135	72,142,092	–	84,608,806
Disposals	(4,444,733)	(726,250)	(153,279)	(134,749)	(13,336,675)	–	(18,795,686)
Foreign currency translation reserve	(1,380,729)	(242,933)	(458,018)	(143,579)	(15,436,606)	–	(17,661,865)
At 31 December 2025	**30,971,800**	**5,927,339**	**12,246,464**	**3,735,867**	**403,896,734**	**–**	**456,778,204**
Net book value							
At 31 December 2024	**37,771,688**	**8,391,783**	**19,643,315**	**4,971,741**	**313,610,395**	**3,733,007**	**388,121,929**
At 31 December 2025	**55,933,357**	**7,636,031**	**19,421,957**	**4,681,208**	**315,804,589**	**7,061,243**	**410,538,385**

11. Property, plant and equipment (continued)

In determining the Company's geographical information, assets, which consist principally of aircraft and ground equipment, are mainly registered in the Republic of Kazakhstan. Accordingly, there is no reasonable basis for allocating the assets to geographical segments.

In 2024 the Company made full repayments on five finance lease obligations, resulting in the transfer of title for these aircraft in amount of KZT 25,531,898 thousand.

As at 31 December 2025, the Company made a repayment of finance lease obligation in accordance with the lease schedule on two Boeing 767, resulting in the transfer of title for the aircraft. The book value of the aircraft was KZT 14,857,021 thousand (31 December 2024: nil).

Consequently, the right-of-use assets related to these aircraft are now classified as owned property.

As at 31 December 2025 technical equipment and vehicles includes highloader and five de-icing trucks with the net book value KZT 3,125,186 thousand (31 December 2024: KZT 5,101,967 thousand), which were purchased in 2024.

Rotable spare parts include aircraft modification costs.

Right of use assets are as follows:

’000 KZT	Rotable spare parts	Building, premises and land	Aircraft	Total
Cost				
At 1 January 2024	**10,454,425**	**9,655,309**	**626,232,766**	**646,342,500**
Additions and modifications	6,297,268	3,629,188	92,849,119	102,775,575
Disposals	(256,627)	(664,183)	(207,560,080)	(208,480,890)
Foreign currency translation reserve	2,140,038	1,821,261	87,679,116	91,640,415
At 31 December 2024	**18,635,104**	**14,441,575**	**599,200,921**	**632,277,600**
At 1 January 2025				
Additions and modifications	28,513,661	3,115,520	71,081,311	102,710,492
Disposals	–	(427,595)	(8,059,564)	(8,487,159)
Other transfers	–	–	(58,611,031)	(58,611,031)
Foreign currency translation reserve	(1,117,088)	(621,437)	(20,038,088)	(21,776,613)
At 31 December 2025	**46,031,677**	**16,508,063**	**583,573,549**	**646,113,289**
Accumulated depreciation				
At 1 January 2024	**6,028,829**	**5,131,073**	**297,266,330**	**308,426,232**
Charge for the period	1,722,696	1,637,292	64,574,672	67,934,660
Disposals	–	–	(37,547,449)	(37,547,449)
Impairment	(247,604)	(642,480)	(51,150,461)	(52,040,545)
Foreign currency translation reserve	1,041,194	963,625	46,724,222	48,729,041
At 31 December 2024	**8,545,115**	**7,089,510**	**319,867,314**	**335,501,939**
At 1 January 2025				
Charge for the period	3,106,574	2,322,747	56,265,162	61,694,483
Disposals	–	(150,291)	(7,260,647)	(7,410,938)
Other transfers	–	–	(26,438,580)	(26,438,580)
Foreign currency translation reserve	(458,668)	(338,568)	(11,996,918)	(12,794,154)
At 31 December 2025	**11,193,021**	**8,923,398**	**330,436,331**	**350,552,750**
Net book value				
At 31 December 2024	**10,089,989**	**7,352,065**	**279,333,607**	**296,775,661**
At 31 December 2025	**34,838,656**	**7,584,665**	**253,137,218**	**295,560,539**

11. Property, plant and equipment (continued)

The Company's obligations under leases have a carrying amount of KZT 320,765,863 thousand (31 December 2024: KZT 285,500,732 thousand) *(Note 25).*

As per the loan agreement with JSC Halyk Bank of Kazakhstan the Technical Center (Hangar) in Astana with a carrying amount of KZT 8,877,612 thousand was pledged in favor of JSC Halyk Bank of Kazakhstan (31 December 2024: KZT 9,466,683 thousand).

12. Depreciation and amortisation

'000 KZT	**2025**	**2024**
Depreciation of property, plant and equipment *(Note 11)*	84,608,806	60,171,610
Amortisation of intangible assets	490,348	213,250
Total	**85,099,154**	**60,384,860**

13. Guarantee deposits

'000 KZT	**31 December 2025**	**31 December 2024**
Non-current		
Guarantee deposits for leased aircraft	19,854,185	18,784,760
Other guarantee deposits	1,817,381	881,135
Impairment allowances	(268,942)	(210,569)
	21,402,624	**19,455,326**
Current		
Guarantee deposits for leased aircraft	23,768,504	666,365
Other guarantee deposits	1,663,699	1,032,891
	25,432,203	**1,699,256**
	46,834,827	**21,154,582**

Guarantee deposits are interest-free and are recorded at amortised cost using an average market yield of 1.75% per annum (2024: 3.06%).

Guarantee deposits for leased aircraft comprise security deposits required by the lease agreements as security for future lease payments to be made by the Company. Guarantee deposits are denominated primarily in US Dollars. The Company assesses credit risk for such deposits as low mainly because almost all lessors are rated from "AA" to "BBB" in accordance with S&P Global Ratings credit quality grades.

For those lessors who are not credit rated by international rating agencies, management calculates the expected credit loss based on the assumption that such lessors are rated at "CCC" by S&P Global Ratings. The amount of deposits with such lessors as of 31 December 2025 is KZT 1,122,277 thousand (31 December 2024: KZT 1,331,154 thousand).

As at 31 December 2025, the Company had guarantees and stand-by letters of credit in JSC Halyk Bank of Kazakhstan in the amount of KZT 2,329,988 thousand, KZT 6,296,376 thousand in JSC Altyn Bank and KZT 11,471,992 thousand in JSC Citibank Kazakhstan.

As at 31 December 2024, the Company had guarantees and stand-by letters of credit in JSC Halyk Bank of Kazakhstan in the amount of KZT 5,273,680 thousand, KZT 7,052,227 thousand in JSC Altyn Bank and KZT 10,041,153 thousand in JSC Citibank Kazakhstan.

13. Guarantee deposits (continued)

Guarantee deposits for leased aircraft and maintenance liabilities are receivable as follows:

’000 KZT	**31 December 2025**	**31 December 2024**
Within one year	23,768,504	666,365
After one year but not more than five years	4,972,898	4,918,705
More than five years	14,881,287	13,884,434
	43,622,689	**19,469,504**
Fair value adjustment	–	(18,379)
	43,622,689	**19,451,125**

The main driver for increases in guarantee deposits for leased aircraft in 2025 was the additional 20 aircraft committed for delivery in 2026-2028.

14. Inventories

’000 KZT	**31 December 2025**	**31 December 2024**
Spare parts	24,720,923	23,563,786
Fuel	5,776,691	3,254,632
Goods in transit	2,191,978	1,835,259
Crockery	1,849,229	2,199,686
Uniforms	1,643,984	745,657
De-icing liquid	1,430,144	939,947
Promotional materials	646,573	1,386,290
Other	1,832,040	2,252,722
	40,091,562	**36,177,979**
Less: cumulative write-down for obsolete and slow-moving inventories	(3,771,759)	(2,935,365)
	36,319,803	**33,242,614**

The movements in the cumulative write-down for obsolete and slow-moving inventories were as follows for the years ended 31 December:

’000 KZT	**2025**	**2024**
Cumulative write-down for obsolete and slow-moving inventories at the beginning of the year	**(2,935,365)**	**(2,380,531)**
Write-down for the year	(1,588,595)	(594,999)
Reversal of previous write-down for the year	631,653	411,563
Foreign currency translation reserve	120,548	(371,398)
Cumulative write-down for obsolete and slow-moving inventories at the end of the year	**(3,771,759)**	**(2,935,365)**

15. Prepayments

’000 KZT	**31 December 2025**	**31 December 2024**
Non-current		
Advances for services	5,763,547	5,422,286
Prepayments for long-term assets	4,509,328	4,136,816
	10,272,875	**9,559,102**
Current		
Advances for goods	8,884,184	7,011,269
Prepayments of leases without transfer of legal title	1,104,078	972,504
Advances for services	186,035	5,964,199
	10,174,297	**13,947,972**
Less: impairment allowance for prepayments	13,649	(75,091)
	10,187,946	**13,872,881**

As at 31 December 2025, prepayments for long-term assets include prepayments to Boeing as pre-delivery payment for three aircraft *(Note 28).*

15. Prepayments (continued)

The movements in the impairment allowance for the years ended 31 December 2025 and 31 December 2024 were:

’000 KZT	**2025**	**2024**
At the beginning of the year	**(75,091)**	**(83,639)**
Accrued during the year	(50,558)	(2,534)
Written-off against previously created allowance	–	20,569
Reversed during the year	137,508	–
Foreign currency translation reserve	1,790	(9,487)
Allowance for doubtful debt at the end of the year	**13,649**	**(75,091)**

The impairment allowance includes advance payments made by the Company to suppliers which are currently subject to legal claims for recovery due to the suppliers’ inability to complete the transactions.

16. Trade and other receivables

’000 KZT	**31 December 2025**	**31 December 2024**
Non-current		
Other financial assets	22,513,273	23,292,304
Other receivables	1,467,048	2,650,755
	23,980,321	**25,943,059**
Less: impairment allowance	(22,513,273)	(23,292,304)
	1,467,048	**2,650,755**
Current		
Trade receivables	33,958,978	10,555,761
Other receivables	1,290,112	843,852
	35,249,090	**11,399,613**
Less: impairment allowance	(385,214)	(463,147)
	34,863,876	**10,936,466**

In 2016, due to the significant credit quality deterioration, KazInvestBank JSC announced that its banking license was recalled, and Delta Bank JSC experienced temporary suspension of its license for accepting new deposits and opening new accounts on 22 May 2017. Consequently, the management reclassified all funds held with these banks from the bank deposit line item to non-current trade and other receivables and recognised an impairment allowance of approximately 90% of the funds as at 31 December 2016.

As at 31 December 2025 and 31 December 2024 the allowance for those banks comprises 100% of their gross balances.

17. Other taxes prepaid

’000 KZT	**31 December 2025**	**31 December 2024**
Value-added tax recoverable	15,439,897	6,959,282
Other taxes prepaid	246,699	270,432
	15,686,596	**7,229,714**

18. Cash and cash equivalents

’000 KZT	31 December 2025	31 December 2024
Term deposits with an initial maturity of less than 3 months	153,711,957	160,742,997
Current accounts with foreign banks	18,927,043	68,307,884
Current accounts with local banks	13,279,768	6,837,457
Accrued interest	219,400	296,687
Cash in hand	39,431	40,433
US Treasury Bills with initial maturity of less than 3 months	–	4,730,192
	186,177,599	**240,955,650**
Impairment allowances	(6,066)	(5,776)
	186,171,533	**240,949,874**

19. Investments in a subsidiary

The Company has commenced a subsidiary low-cost brand FlyArystan JSC, which is a separate and fully operational entity. As of 31 December 2025, FlyArystan JSC operates twenty-four Airbus aircraft with a net book value of KZT 185,788,341 thousand (2024: nineteen Airbus aircraft with a net book value of KZT 178,774,225 thousand). The subsidiary company carries out transportation on both domestic and international routes.

As of 31 December 2025, the Company’s investments in the subsidiary consisted of cash and non-cash settlements as shown below:

	Investments in Subsidiary
At January 1 2024	**932,303**
Cash consideration	14,160,000
Transfer of lease liabilities	(4,417,539)
Transfer of aircraft maintenance provisions	(4,474,906)
Transfer of deferred taxes	1,923,704
Foreign currency translation reserve	1,125,726
At December 31 2024	**9,249,288**
At January 1 2025	**9,249,288**
Fair value of lease guarantees to subsidiary	3,334,103
Transfer of lease liabilities	13,039
Transfer of deferred taxes	(2,496)
Foreign currency translation reserve	(444,026)
At December 31 2025	**12,149,908**

JSC Air Astana has issued guarantees in favor of aircraft lessors in respect of lease obligations of its subsidiary, FlyArystan JSC. Under these arrangements, Air Astana undertakes to settle lease payments in the event that FlyArystan fails to meet its obligations when due. Accordingly, the lessors have the contractual right to demand payment directly from Air Astana in case of non-performance by FlyArystan.

The guarantees are accounted for in accordance with IFRS 9 and are initially recognised at fair value and subsequently measured at the higher of the amount of the loss allowance determined in accordance with the expected credit loss (ECL) model; and the amount initially recognised (i.e. fair value), less cumulative income recognised.

As at the reporting date, the fair value of the guarantees exceeded the corresponding ECL allowance; therefore, the guarantees continue to be measured at fair value. The fair value of the guarantees was estimated using a discounted cash flow approach based on market-equivalent guarantee fees that would be charged by financial institutions for issuing similar guarantees. These fees reflect the credit risk profile of FlyArystan and the specific terms of the guarantees.

The discount rate applied represents a market rate for instruments with similar credit risk characteristics and comparable maturities.

19. Investments in a subsidiary (continued)

The guarantees are included in the Company’s liquidity risk disclosures and presented as on-demand obligations.

Under the relevant lease agreements, JSC Air Astana acts as a co-obligor in respect of lease payments of its subsidiary, FlyArystan JSC. The Company’s obligation is limited to lease payments as they become due and payable.

Accordingly, Air Astana does not assume an unconditional obligation for the total contractual lease term. Instead, the obligation arises progressively over time, based on the actual utilisation of the leased aircraft and the corresponding lease payments falling due.

Management does not expect significant outflows under these guarantees, as FlyArystan continues to meet its obligations in the ordinary course of business.

20. Equity

As at 31 December 2025 share capital was comprised of 353,948,253 authorised, issued and fully paid ordinary shares (31 December 2024: 351,887,760 ordinary shares). The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The movement of shares outstanding for the years ended 31 December 2025 and 2024 as follows:

	Shares outstanding
At January 1 2024	**17,000,000**
Share split	289,000,000
Share issuance	50,526,315
Treasury shares purchased	(4,638,555)
At December 31 2024	**351,887,760**
At January 1 2025	**351,887,760**
Equity settled share-based program	4,638,555
Treasury shares purchased	(2,578,062)
At December 31 2025	**353,948,253**

On 10 January 2024 existing shares were split to 306,000,000 shares and additional 60,000,000 shares were authorised for issued.

On 15 February 2024, the Company completed its initial public offering (“IPO”), raising KZT 54,256,673 thousand (USD 121,112 thousand) through the issuance of new shares. The shares were simultaneously listed on the Kazakhstan Stock Exchange, Astana International Exchange and London Stock Exchange. Transaction costs directly attributable to the share issuance amounted to KZT 1,386,266 thousand and were recognised as a deduction from equity.

The number of authorised but not issued shares is 9,473,685 as at the date of approval of the separate financial statements.

On 30 April 2024 the Company announced buyback programme to purchase ordinary shares of the Company and global depositary receipts representing shares. The purpose of the programme is to meet the Company's obligations arising from its employee incentive programmes. The first part of the programme was concluded in December 2024.

The total amount of treasury shares as at 31 December 2025 is 2,578,062 shares (31 December 2024: 4,638,555 shares). The Company repurchased its own shares on the open market in 2025 and 2024 for a total consideration of KZT 1,310,290 thousand and KZT 3,952,306 thousand, respectively.

In accordance with Kazakhstan legislation the Company’s distributable reserves are limited to the balance of retained earnings as recorded in the Company’s statutory financial statements prepared in accordance with IFRS Accounting Standards. A distribution cannot be made when equity is negative or if distribution would result in negative equity or the Company’s insolvency.

20. Equity (continued)

As at 31 December 2025 the Company had retained earnings, including the profit for the current year, of KZT 100,322,357 thousand (2024: KZT 117,195,559 thousand).

On 31 May 2025, the Annual General Meeting of Shareholders approved the payment of ordinary and special dividends in the total amount of KZT 53.7 per ordinary share and KZT 214.8 per global depositary receipt (equal to four shares) in the amount of USD 37,306 thousand (KZT 19,100,000). During the year ended on 31 December 2025, the Company accrued and paid out USD 37,150 thousand (KZT 19,070,084 thousand) of dividends payables.

No dividends were declared in 2024.

The calculation of basic earnings per share is based on profit or loss for the period and the weighted average number of ordinary shares outstanding during the year ended 31 December 2025. Comparative figures for the year ended 31 December 2024 is based on profit or loss for the period and the number of ordinary shares outstanding. The Company has no instruments with potential dilutive effect.

'000 KZT	**31 December 2025**	**31 December 2024**
Profit for the year	5,198,565	28,648,168
Number of ordinary shares	354,271,002	348,878,155
Earnings per share – basic and diluted (KZT)	**14.674**	**82.115**

Employee share programs represent potential ordinary shares but were anti-dilutive in 2025 (and 2024); accordingly, diluted EPS equals basic EPS. These instruments could dilute EPS in future periods.

Book value per share (non-IFRS measure)

In accordance with the KASE decision dated 4 October 2010, financial statements must contain information on the book value per share (common and preferred) as of the reporting date, calculated in accordance with the rules approved by the KASE.

	31 December 2025	**31 December 2024**
Total assets	799,311,682	765,113,404
Less: intangible assets	(3,187,872)	(3,160,112)
Less: total liabilities	(610,616,038)	(555,169,397)
Net Asset Value	**185,507,772**	**206,783,895**
Number of ordinary shares	353,948,253	351,887,760
Book value per ordinary share (in KZT)	**524,110**	**587,642**

21. Share-based payments

The Company operates share-based payment programs as part of the total remuneration package provided to employees. These programs include share award plans in which shares are provided to employees at no cost, subject to the Company achieving specified performance targets. All the programs imply equity settlement.

IPO Award

The IPO Award plan is granted to key management personnel. The IPO Award plan vests after one year from the IPO date, subject to continued service, with no further performance conditions. The fair value of IPO Award was based on the market value of the share at the reporting date. The programme was completed during the first quarter of 2025.

21. Share-based payments (continued)

Long-Term Incentive Plan

The Long-Term Incentive Plan (LTIP) is a recurring plan granted to the key management personnel, following the announcement of full year results of each third IPO anniversary. The LTIP award is subject to the achievement of performance conditions: 60% of the award is based on a range of net profit margin targets for the 2026 year-end, and 40% of the award is based on the Company's total shareholder return ("TSR") performance against a peer group of other airlines. The total award amount is determined by the fulfilment of these performance conditions. The plan terminates on the tenth anniversary. The fair value of LTIP is based on the market value of the share at the reporting date, KZT 907.49 (USD 1.795).

The fair value of awards granted within LTIP was determined at reporting date using a binomial model (The Cox-Ross-Rubinstein binomial model) for TSR and Monte Carlo model for EPS with the following assumptions:

Inputs into the Models	**Long-Term Incentive Plan (2024-2026)**	**Long-Term Incentive Plan (2025-2027)**
Market share price	1.795	1.795
Expected volatility	6.34%	6.27%
Expected dividends	dividend payment does not have impact	dividend payment does not have impact
Risk-free interest rate (based on US Treasury bonds)	3.51%	3.47%

The expected volatility of Compnay's share return was determined as the median volatility of peer companies' share returns. As of 31 December 2025, the weighted average performance conditions levels for EPS and TSR of the 2024-2026 and 2025-2027 programmes are 68.46% and 70.9% (31 December 2024: 71.8%; nil).

Employee Share Ownership Plan

The Employee Share Ownership Plan (ESOP) was granted to eligible employees who had worked for the company for at least 1 year prior to the IPO. The ESOP would vest one year after the IPO with no further performance conditions except for continuous service. The program was completed during the first quarter of 2025 and the value of the distributed ordinary shares amounted to KZT 2,638,011 thousand.

Total expense recognised during the year ended 31 December 2025 in respect to equity-settled share-based payment was KZT 895,823 thousand before income tax of KZT 179,165 thousand (31 December 2024: KZT 3,551,934 thousand before income tax of KZT 710,387 thousand).

The fair value of share rights at reporting date granted to employees is recognised as an expense, within "Employee and crew costs" in profit or loss, over the vesting periods (1 and 3 years). The corresponding entry is reflected in the column "Other reserves" in the statement of changes in equity.

22. Deferred revenue

'000 KZT	**31 December 2025**	**31 December 2024**
Unearned passenger revenue	35,172,250	32,866,109
Customer loyalty program provision	7,698,716	8,399,660
	42,870,966	**41,265,769**

22. Deferred revenue (continued)

The movement of deferred revenue for the year-ended 31 December 2025 and 2025 is as follows:

	31 December 2025		31 December 2024	
’000 KZT	**Unearned transportation revenue**	**Customer Loyalty program**	**Unearned transportation revenue**	**Customer Loyalty program**
Balance at 1 January	**32,866,109**	**8,399,660**	**32,928,326**	**5,421,992**
Cash received from customers	−	56,114	−	493,603
Revenue recognised in the Income Statement	(315,978,216)	(1,442,783)	(590,190,558)	1,477,134
Operating expenses recognised in the Income Statement	45,498	14,660	1,325,903	1,575
Loyalty points issued to customers	−	984,267	−	163,834
Booking of the tickets	317,859,249	−	577,984,662	−
Foreign currency translation reserve	379,610	(313,202)	10,817,776	841,522
At 31 December	**35,172,250**	**7,698,716**	**32,866,109**	**8,399,660**

The amount of revenue recognised in the current period that was included in the opening deferred revenue balance is KZT 41,265,769 thousand.

Revenue recognised during the current period that was included in the opening balance of the customer loyalty programme liability amounted to KZT 906,415 thousand (2024: KZT (509,357) thousand).

Unearned transportation revenue represents the value of tickets sold for which the transportation service has not yet been provided. Passenger revenue is recognised when transportation is provided.

A portion of tickets sold is expected not to be used or refunded. The related revenue is recognised in proportion to the pattern of rights exercised by passengers as flights occur, reflecting the expected level of ticket breakage.

The Company applies the IFRS practical expedient under which it does not disclose the transaction price allocated to remaining performance obligations for contracts with an original expected duration of one year or less. The majority of the Company’s passenger ticket contracts fall within this exemption.

Deferred revenue attributable to the customer loyalty program refers to the Company’s Nomad Club program.

23. Provision for aircraft maintenance

’000 KZT	**31 December 2025**	**31 December 2024**
Engines	101,316,300	87,160,383
D-Check	7,759,380	7,548,456
Landing gear	3,249,546	2,769,956
Provision for redelivery of aircraft	2,216,244	2,221,215
Auxiliary Power unit	2,069,640	1,251,337
C-Check	1,897,760	2,862,900
	118,508,870	**103,814,247**

23. Provision for aircraft maintenance (continued)

The movements in the provision for aircraft maintenance were as follows for the years ended 31 December:

’000 KZT	**2025**	**2024**
At 1 January	**103,814,247**	**115,361,873**
Accrued during the year *(Note 8)*	32,153,752	35,879,042
Used during the year	(16,041,362)	(21,359,772)
Reversed during the year *(Note 8)*	–	(580,491)
Unwinding of the discount *(Note 9)*	3,806,021	1,803,592
Transfer to a subsidiary	(736,517)	(42,346,199)
Foreign currency translation reserve	(4,487,052)	15,056,202
At 31 December	**118,508,870**	**103,814,247**

The movements in provision for redelivery of aircraft were as follows for the years ended 31 December:

’000 KZT	**2025**	**2024**
At 1 January	**2,221,215**	**2,665,540**
Accrued during the year *(Note 8)*	240,718	357,349
Used during the year	(163,605)	(219,474)
Foreign currency translation reserve	(82,084)	(582,200)
At 31 December	**2,216,244**	**2,221,215**

Under the terms of its lease agreements without transfer of title for aircraft, the Company is obliged to carry out and pay for maintenance based on use of the aircraft and to return aircraft to the lessors in a satisfactory condition at the end of the lease term. The maintenance cost estimates used for calculating the provisions are stated in US Dollars.

The decrease in the provision balance as at 31 December 2024 was due to the transfer to a subsidiary.

The planned utilisation of these provisions is as follows:

’000 KZT	**31 December 2025**	**31 December 2024**
Within one year	42,260,285	12,351,111
During the second year	32,182,545	27,356,656
During the third year	29,110,440	26,086,415
After the third year	14,955,600	38,020,065
Total provision for aircraft maintenance	**118,508,870**	**103,814,247**
Less: current portion	42,260,285	12,351,111
Non-current portion	**76,248,585**	**91,463,136**

Significant judgment is involved in determining the provision for aircraft maintenance. The management has engaged an independent specialist to assist in estimating the timing and cost of expected engine maintenance activities. The estimate by the independent specialist is prepared based on the current condition of aircraft, historical flight hours and cycles, expected future utilisation of the aircraft over the remaining life of the leases without transfer of title as well as requirements for returnable condition when the lease term is concluded. The estimates are based on the following key assumptions:

- Expected utilisation rate for flight hours and cycles is based on historical data and actual usage;
- Market prices are used for services and parts;
- Aircraft will be operated within standard norms and conditions; and
- No provisions have been made for unscheduled maintenance.

24. Trade and other payables

’000 KZT	31 December 2025	31 December 2024
Financial liabilities		
Trade payables	98,819,487	59,426,174
Deposits received from agents	5,244,368	4,779,551
Accrued bonuses	4,858,649	4,254,966
Due to employees	4,097,321	3,285,613
Vacation pay accrual	1,636,906	1,190,424
Provision reimbursement payable	–	43,388,789
	114,656,731	**116,325,517**
Non-financial liabilities		
Advances received	5,618,966	6,311,822
Taxes payable	1,302,751	873,258
Pension contribution	795,704	583,397
Other	565,183	65,115
	8,282,604	**7,833,592**
	122,939,335	**124,159,109**

The movement of advances received for the year ended 31 December 2025 and 2024 is as follows:

’000 KZT	31 December 2025	31 December 2024
Balance at 1 January	**6,311,822**	**3,895,579**
Additions	115,584,841	313,830,691
Disposals	(115,112,784)	(312,913,274)
Foreign currency translation reserve	(1,164,913)	1,498,826
Balance 31 December	**5,618,966**	**6,311,822**

The Company’s trade and other payables are denominated in the following currencies:

’000 KZT	31 December 2025	31 December 2024
US Dollar	64,186,639	68,782,057
Tenge	44,813,212	49,094,634
Euro	3,782,375	3,201,596
British Pound	606,130	405,910
Other	9,550,979	2,674,912
	122,939,335	**124,159,109**

25. Lease liabilities

As at 31 December 2025 the Company has one Boeing 767 aircraft under fixed interest lease agreements with transfer of title (2024: three Boeing 767 aircraft). During 2025, the Company has repaid finance lease with the transfer of title for two Boeing 767. In 2024, the Company fully repaid liabilities related to five Airbus A320 family aircraft with transfer of title. The Company’s borrowings and lease liabilities do not contain financial covenants that require compliance after the reporting date as a condition for classifying the liabilities as non-current. Certain financing agreements include cross-default clauses; however, these do not impose separate covenant compliance requirements within twelve months after the reporting date. Accordingly, the classification of the Company’s liabilities as current or non-current is not affected by covenant conditions.

These requirements have been met as at 31 December 2025 and 2024.

All other aircraft leases other than described above are contracted without the right for purchase at the end of the lease term.

25. Lease liabilities (continued)

The Company's lease liabilities are effectively secured by the lessors' rights to the underlying leased aircraft in the event of default under the lease agreements. The Company does not obtain legal title to these assets during the lease term.

The Company's obligations under leases are secured by the lessors' title to the leased assets. These assets have a carrying value of KZT 295,560,539 thousand (31 December 2024: KZT 296,775,661 thousand) *(Note 11)*. The Company's lease obligations are mainly denominated in US Dollars.

Certain lease agreements may also require the Company to provide security deposits or guarantees in favour of the lessors in accordance with the respective lease terms.

Reconciliation of movements of loans and lease liabilities to cash flows arising from financing activities

’000 KZT	**Loans**	**Lease liabilities**	**Total**
Balance as at 1 January 2025		**285,500,732**	**285,500,732**
Additional financing	2,739,854	–	2,739,854
Repayment of lease liabilities	–	(69,035,645)	(69,035,645)
Repayment of additional financing	(241,970)	–	(241,970)
Interest paid	(150,011)	(19,905,503)	(20,055,514)
Total changes from financing cash flows	**2,347,873**	**(88,941,148)**	**(86,593,275)**
Foreign currency translation reserve			
Effect of changes in foreign exchange rates	65,709	(10,261,139)	(10,195,430)
Other changes	–	236,583	236,583
New leases and modifications	–	114,310,352	114,310,352
Non-cash settlement due to netting with guarantee deposits	–	(849,287)	(849,287)
Interest expense *(Note 9)*	149,961	20,769,770	20,919,731
Total other changes	**215,670**	**124,206,279**	**124,421,949**
Balance as at 31 December 2025	**2,563,543**	**320,765,863**	**323,329,406**

’000 KZT	**Loans**	**Lease liabilities**	**Total**
Balance as at 1 January 2024	**187,279**	**326,780,238**	**326,967,517**
Repayment of borrowings	(17,000,000)	–	(17,000,000)
Proceed from borrowings	17,000,000	–	17,000,000
Additional financing	3,775	–	3,775
Repayment of lease liabilities	–	(78,784,625)	(78,784,625)
Repayment of additional financing	(199,559)	–	(199,559)
Interest paid	(232,493)	(18,666,170)	(18,898,633)
Total changes from financing cash flows	**(428,277)**	**(97,450,795)**	**(97,879,072)**
Foreign currency translation reserve	(178,524)	35,264,162	35,085,638
Effect of changes in foreign exchange rates	185,500	(588,457)	(402,957)
Other changes			
New leases and modifications	–	93,787,941	93,787,941
Gain from early return of aircraft	–	(1,270,825)	(1,270,825)
Novation of lease liabilities to a subsidiary	–	(81,360,904)	(81,360,904)
Non-cash settlement due to netting with guarantee deposits	–	(1,449,161)	(1,449,161)
Interest expense *(Note 9)*	234,022	11,788,533	12,022,555
Total other changes	**240,998**	**56,171,289**	**56,412,287**
Balance as at 31 December 2024	**–**	**285,500,732**	**285,500,732**

25. Lease liabilities (continued)

Reconciliation of movements of loans and lease liabilities to cash flows arising from financing activities (continued)

On 1 July 2015 the Company designated a portion of its US Dollar lease obligations with transfer of title as hedges of highly probable future US Dollar revenue streams. The Company applied the cash flow hedge accounting model to this hedging transaction in accordance with IAS 39.

In connection with the transition of the functional currency to US Dollar, this hedge ceased to be economically effective from 31 December 2017. At 31 December 2025 a foreign currency hedge on the lease liabilities with transfer of title was fully realized (31 December 2024: foreign currency loss of KZT 2,292,745 thousand before deferred income tax of KZT 458,615 thousand). As a result of the change, the hedge relationship has been discontinued so that starting from 1 January 2018 no further foreign currency translation gains or losses are transferred from profit or loss to the hedge reserve, and the hedge reserve recognised in equity as at 31 December 2017 shall remain in equity until the forecasted revenue cash flows are received.

During 2025 the amount reclassified from the hedging reserve to foreign exchange loss in the separate statement of comprehensive income was KZT 3,594,620 thousand (before deferred income tax of KZT 719,028 thousand) (2024: KZT 5,968,460 thousand before deferred income tax of KZT 1,193,786 thousand).

26. Financial instruments

Exposure to credit, interest rate, currency and commodity price risk arises in the normal course of the Company's business. The Company does not hedge its exposure to such risks, other than commodity price risk and interest rate risks arising from lease contractual obligations as discussed below.

Capital management

The Company manages its capital to ensure the Company will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Company's current 10-year development Strategy was approved in 2017 and covers the years 2017-2026.

The capital structure of the Company consists of net debt (comprising loans and lease obligations in *Note 25*) and equity of the Company (comprising issued capital, functional currency translation reserve, reserve on hedging instruments and retained earnings as detailed in *Note 20*).

The Company is not subject to any externally imposed capital requirements.

The Company does not have a target gearing ratio.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The maximum exposure to credit risk related to financial instruments, such as cash, guarantee deposits and accounts receivable, is calculated based on their book value.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased.

As at 31 December 2025 and 31 December 2024 there was no significant concentration of credit risk in respect of trade accounts receivable *(Note 16).*

26. Financial instruments (continued)

Credit risk (continued)

The Company uses reputable banks and has established a cash investment policy which would limit the credit risk related to bank accounts and deposits.

As a result of the increased credit risks on some of the banks, the management reconsidered its cash management policy in 2017 and reviewed the credit ratings of the major banks in Kazakhstan and placed its main amounts due from banks in banks with ratings of "BBB-" or higher. The carrying amounts of financial assets represent the maximum credit exposure. Impairment losses on financial assets recognised in profit or loss were as follows:

'000 KZT	**Note**	**2025**	**2024**
Reversal of impairment loss on trade and other receivables and prepayments	15, 16	867,771	14,762
(Accrual)/reversal of impairment loss on guarantee deposits	13	(58,373)	(30,802)
Accrual of impairment loss on cash and cash equivalents	18	(290)	(1,230)
		809,108	**(17,270)**

Trade and other receivables

'000 KZT	**31 December 2025**	**31 December 2024**
Trade receivables	33,958,978	10,555,761
Default banks	22,513,273	23,292,304
Amounts due from employees	1,898,771	1,026,065
Receivable from lessors	857,885	2,468,542
Total gross carrying amount	**59,228,907**	**37,342,672**
Impairment allowance	(22,898,487)	(23,755,451)
Total net carrying amount	**36,330,420**	**13,587,221**

Trade receivables

The sale of tickets is the main revenue source of the Company. The Company uses agents who sell tickets on behalf of the Company to corporations and the general public for a certain commission that varies depending on the geographical location and market conditions. As a result, agents amass significant amounts of funds for tickets sold which are recorded as trade receivables by airlines. The International Air Transport Association (hereinafter referred to as "IATA") conducts monitoring of agents by establishing IATA accreditation procedures designed to ensure the credit quality of agents. IATA also set Local Financial Criteria for each market in accordance to which agents have to obtain a credit enhancement such as bank guarantee or insurance from a financial institution of certain credit rating before they can be accredited by IATA.

On a regular basis, the IATA notifies the airlines about the amount of debt from each agent in excess of its guarantee or insurance protected amount. In addition, the IATA also informs about sharp and unusual increases in sales which might signal an increase in risk. The Company then decides whether to stop dealing with such agents until the negative factors are resolved.

The Company does not have trade receivables and contract assets for which no loss allowance is recognised because of collateral.

The Company applies the simplified approach in measuring expected credit losses for trade receivables recognizing lifetime expected credit losses from initial recognition.

Given the short-term nature of trade receivables and the low level of historical defaults, the loss allowance is determined using a simplified provision matrix based on historical observed loss rates. These rates are calculated based on long-term average default experience.

Due to the short contractual maturity of receivables, the Company does not consider the impact of forward-looking macroeconomic factors to be significant.

26. Financial instruments (continued)

Trade receivables (continued)

At 31 December 2025, 7 debtors including IATA Billing Settlement Plans (BSPs) as collecting agencies from the worldwide travel agencies comprised 63% of the Company's trade and other receivables excluding banks in default (at 31 December 2024: 5 debtors comprised 63%).

The following tables provide information about the exposure to credit risk for trade receivables as at 31 December 2025 and 31 December 2024.

	31 December 2025		31 December 2024	
'000 KZT	**Gross carrying amount**	**Loss allowance**	**Gross carrying amount**	**Loss allowance**
Current (not past due)	33,678,915	(40,442)	6,614,286	(3,223)
1–30 days past due	43,981	–	3,310,819	–
31-90 days past due	173,902	–	15,227	–
More than 90 days past due	62,180	(62,180)	615,429	(615,429)
	33,958,978	**(102,622)**	**10,555,761**	**(618,652)**

Amounts due from employees

In general, certain part of the Ab-initio pilot training costs is borne by the pilot trainees but are funded by the Company through the provision of interest free loans to participants of the program. The Company withholds the amounts due from pilots' salary on a monthly basis. Those pilots or cadets who leave the Company are fully provided with respect of the credit losses.

Movements in the allowance for impairment in respect of trade and other receivables

'000 KZT	**2025**	**2024**
Balance at 1 January	**(23,755,451)**	**(21,010,672)**
Reversal of impairment allowance	454,551	784,210
Accrual of impairment allowance	(402,257)	(766,914)
Foreign currency difference	(81,445)	457,853
Foreign currency translation reserve	886,115	(3,219,928)
Balance at 31 December	**(22,898,487)**	**(23,755,451)**

Guarantee Deposits

The main counterparties of the Company have a credit rating of at least from "BBB-" S&P Global Ratings.

To determine whether published ratings remain up-to-date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings the Company monitors changes in credit risk by tracking their financial stability.

12-month and lifetime probabilities of default are based on historical data supplied by S&P Global Ratings for each credit rating. Loss given default (LGD) parameters generally reflect an assumed recovery rate of 30% except when a security is credit-impaired, in which case the estimate of loss is based on the instrument's current market price and original effective interest rate.

The following table presents credit ratings of guarantee deposits each of which were classified in stage 1:

	31 December 2025			31 December 2024		
'000 KZT Credit rating	**Gross carrying amount**	**12 month ECL**	**Total net carrying amount**	**Gross carrying amount**	**12 month ECL**	**Total net carrying amount**
"BBB-" to "A+"	38,877,279	(57,125)	38,820,154	18,754,304	(30,456)	18,723,848
"B+" to "BB+"	1,645,500	(64,202)	1,581,298	1,331,154	(37,808)	1,293,346
Without ratings	6,580,990	(147,615)	6,433,375	269,381	(143,355)	126,026
	47,103,769	**(268,942)**	**46,834,827**	**20,354,839**	**(211,619)**	**20,143,220**

The loss allowance recognised on guarantee deposits relates primarily to deposits placed with counterparties without external credit ratings and reflects the higher probability of default associated with such counterparties.

26. Financial instruments (continued)

Guarantee Deposits (continued)

The Company did not have any guarantee deposits that were either past due or impaired.

’000 KZT	2025	2024
Balance at 1 January	**(211,619)**	**(241,372)**
Net re-measurement of loss allowance	(85,435)	67,214
Foreign currency translation reserve	28,112	(37,461)
Balance at 31 December	**(268,942)**	**(211,619)**

Cash and cash equivalents

The Company held cash and cash equivalents of KZT 186,171,533 thousand at 31 December 2025 (31 December 2024: KZT 240,949,874 thousand). The cash and bank balances are held with bank and financial institution counterparties, which are rated “BBB-” to “A+”, based on S&P Global ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company believes that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Company uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for bank and guarantee deposits. The following table presents an analysis of the credit quality of cash and cash equivalents measured at amortised cost:

	31 December 2025			**31 December 2024**		
’000 KZT Credit rating	**Gross carrying amount**	**12 month ECL**	**Carrying amount**	**Gross carrying amount**	**12 month ECL**	**Carrying amount**
“BBB-” to “A+”	185,971,848	(6,066)	185,965,782	230,560,573	(5,251)	230,555,322
“B+” to “BB+”	205,751	–	205,751	10,395,077	(525)	10,394,552
	186,177,599	**(6,066)**	**186,171,533**	**240,955,650**	**(5,776)**	**240,949,874**

Interest rate risk

The Company is not exposed to significant interest rate risk because the Company mainly borrows funds at fixed interest rates.

Foreign currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the US Dollar. The currencies giving rise to this risk are primarily Tenge and Euro. For amounts of assets and liabilities denominated in foreign currency refer to *Note 18*. The management believes that it has taken appropriate measures to support the sustainability of the Company’s business under the current circumstances.

Foreign currency sensitivity analysis

The Company is mainly exposed to the risk of change of exchange rates of the US Dollar against Tenge and Euro.

26. Financial instruments (continued)

Foreign currency sensitivity analysis (continued)

The carrying value of the Company's monetary assets and liabilities in foreign currency as at the reporting date has been provided below. This disclosure excludes assets and liabilities denominated in other currencies as they do not have significant effect on the separate financial statements of the Company.

	Notes	31 December 2025		31 December 2024	
'000 KZT		**Tenge**	**Euro**	**Tenge**	**Euro**
Assets					
Trade and other receivables	16	27,676,251	625,846	–	–
Other taxes prepaid	17	15,686,596	–	7,229,714	–
Cash and cash equivalents	18	10,188,451	1,096,495	–	–
Income tax prepaid		3,591,791	–	6,825,905	–
Guarantee deposits		224,455	168,341	–	–
Total		**57,367,544**	**1,890,682**	**14,055,619**	**–**
Liabilities					
Trade and other payables	24	44,813,212	3,782,375	49,094,634	3,201,596
Lease liabilities		5,860,104	–	–	–
Total		**50,673,316**	**3,782,375**	**49,094,634**	**3,201,596**
Net position		**6,694,228**	**(1,891,693)**	**(35,039,015)**	**(3,201,596)**

In 2025 the following table details the Company's sensitivity of weakening of the US Dollar against the Tenge by 10% (2024: 10%) and Euro by 10% (2024: 10%) and strengthening of the US Dollar against the Tenge by 10% (2024: 10%) and Euro by 10% (2024: 10%).

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for abovementioned sensitivity ratios.

The sensitivity analysis includes trade and other receivables, cash and bank balances, bank deposits, guarantee deposits, trade and other payables, loans and lease liabilities.

A negative number below indicates a decrease in Profit or Loss and positive number would be an opposite impact on the Profit or Loss:

	Weakening of US Dollar		Strengthening of US Dollar	
'000 KZT	**Tenge**	**Euro**	**Tenge**	**Euro**
31 December 2025	**10%**	**10%**	**10%**	**10%**
(Loss)/profit	(535,538)	151,335	535,538	(151,335)

	Weakening of US Dollar		Strengthening of US Dollar	
'000 KZT	**Tenge**	**Euro**	**Tenge**	**Euro**
31 December 2024	**10%**	**10%**	**10%**	**10%**
(Loss)/profit	(1,898,714)	54,401	1,898,714	(54,401)

The Company limits the currency risk by monitoring changes in exchange rates of foreign currencies in which trade and other receivables, cash and cash equivalents, bank deposits, guarantee deposits, trade and other payables and loans and lease liabilities are denominated.

26. Financial instruments (continued)

Fuel price risk

The Company is exposed to fuel price risk. In order to mitigate such risk, under the Company's fuel price risk management strategy Asian Call Option contracts are entered into. The Company strategy is to hedge a proportion of fuel consumption up to two years within the approved hedging profile.

The following table demonstrates the sensitivity of Asian Call Option contracts to a reasonable possible change in fuel prices, based on current market volatility, with all other variables held constant, on the result before tax and equity. The sensitivity analysis has been performed on fuel derivatives at the reporting date only and is not reflective of the impact had the sensitivity rates been applied through the duration of the years to 31 December 2025 and 2024:

'000 KZT	**31 December 2025**		**31 December 2024**	
Increase/(decrease) in fuel price per cent	**10%**	**(10%)**	**10%**	**(10%)**
Effect on equity	220,917	(46,509)	336,070	(82,967)

Effect of fuel price change on profit-before tax is estimated to be zero.

Climate-related considerations

The Company monitors developments in climate-related regulation and industry initiatives aimed at reducing greenhouse gas emissions in the aviation sector. The global aviation industry has committed to achieving net-zero carbon emissions by 2050, which is also reflected in the Company's long-term sustainability ambitions. Alongside the assessment of climate-related physical risks, the Company is also assessing measures to support the transition of the aviation sector, including the potential use of sustainable aviation fuel over time. Management has considered whether climate-related matters could affect significant accounting estimates applied in the preparation of the separate financial statements and concluded that, as at the reporting date, no material adjustments to the carrying amounts of the Company's assets and liabilities were required.

Liquidity risk management

Liquidity risk is the risk that a Company will encounter difficulty in meeting the obligations associated with its liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Company's Management. The Company manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.***On-demand obligations***

The Company classifies all liabilities arising from financial guarantee contracts as current liabilities. This classification reflects that the Company does not possess an unconditional right to defer settlement of the liability for at least twelve months after the reporting period, as guarantee claims are payable upon demand by the beneficiary following a default event.

As of 31 December 2025, the Company's remaining contractual maturity for its financial guarantee contracts were equal to KZT 3,640,827 thousand (31 December 2024: KZT 2,949,543 thousand). In accordance with IFRS 7, the amounts disclosed represent the maximum gross amount of the guarantees, allocated to the earliest period in which the guarantee could be called.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities and assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

26. Financial instruments (continued)

Liquidity and interest risk tables (continued)

The maturity analysis of lease liabilities presented below reflects the Company's contractual undiscounted lease payments. The total undiscounted lease payments differ from the carrying amount of lease liabilities recognised in the statement of financial position because lease liabilities are measured at the present value of future lease payments using the Company's incremental borrowing rate.

’000 KZT	Up to 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
31 December 2025					
Financial assets					
Trade and other receivables	34,479,168	1,012,577	839,179	–	36,330,924
Guarantee deposits	978,706	24,453,497	5,620,988	16,050,578	47,103,769
Cash and cash equivalents	186,171,533	–	–	–	186,171,533
Financial liabilities					
Non-interest bearing					
Trade and other payables	86,133,213	10,102,512	19,781,894	–	116,017,619
Fixed rate					
Loans	61,169	216,872	1,775,421	510,081	2,563,543
Lease liabilities	44,454,286	133,202,605	272,183,924	53,764,632	503,605,447

’000 KZT	Up to 3 months	3 months to 1 year	1-5 years	Over 5 years	Total
31 December 2024					
Financial assets					
Trade and other receivables	10,376,174	560,292	2,650,755	–	13,587,221
Guarantee deposits	323,468	1,375,788	5,441,189	14,032,515	21,172,960
Cash and cash equivalents	240,959,874	–	–	–	240,959,874
Financial liabilities					
Non-interest bearing					
Trade and other payables	33,111,075	17,136,965	15,213,225	–	65,461,265
Fixed rate					
Lease liabilities	21,529,510	61,040,362	214,105,201	40,815,751	337,490,824

Fair values

Cash and cash equivalents

The carrying value of cash and cash equivalents approximates their fair value as they either have short- term maturity or are interest-bearing and hence are not discounted.

Fuel call options

The Company uses options to hedge the risk of jet fuel price movement. The Company uses standard market instruments for fuel hedging purposes, such as "call option" (where the premium is paid in advance by the Company to cover the risk of increases of commodity price above the predetermined level). Since there is no possibility to hedge the risk of changes in jet fuel prices purchased from call option suppliers, the Company hedges only the amount of fuel purchased outside the Republic of Kazakhstan signing a general agreement with several international banks on the conclusion of derivative transactions. The management of the Company determines the volume of jet fuel that will be hedged before executing the deal. Hedging is carried out according to the Fuel hedging policy approved by the directors and shareholders of the Company. The Company determines the economic relationship between the hedge instrument and the hedge item by analysing the historic price movement of aviation fuel and Brent by performing a regression analysis. The resulting Beta coefficient is assessed for statistical significance and used as a hedge ratio.

26. Financial instruments (continued)

Fair values (continued)

Fuel call options (continued)

The hedge ineffectiveness comes from the probability that due to constantly changing economic conditions the highly probable transaction, purchase of aviation fuel, might not occur.

The fair values (FV) of financial assets and financial liabilities of the Company are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The Company applied discounted expected future cash flows method under income approach to reach fair value of the instruments. The cash-flows represent payouts from the counterparties to the Company in case of a floating price exceeding a strike price.

To estimate payouts the Company applied Monte Carlo method based on Geometric Brownian Motion model. The following key inputs parameters were used by the Company in their model:

- Spot: Brent Crude Oil futures last price as at 31 December 2025 and 31 December 2024;
- Growth rate: futures curve for Crude Oil, Brent (ICE) according to Bloomberg;
- Volatility: Implied volatility for Brent Crude oil according to Bloomberg.

These hedge items are highly probable future transactions planned for the first half of 2026. International fuel uplift volumes partially hedged for the first half of 2026. The hedge instrument is the crude oil call option with the strike prices of USD 70 and USD 65 per barrel. Based on the hedge ratio of 1.439, the Company hedged 191,965 barrels of fuel as of 31 December 2025 (31 December 2024: 183,912 barrels). Due to the short-term maturity the Company does not expect significant changes in the fair value of the instruments.

Level 2 fair values for financial assets and liabilities at fair value through profit or loss have been generally derived using the fair value valuation reports provided by the banks which participate in hedging transactions. The most significant input into this valuation approach are time left to maturity of the deal, forward and spot prices of crude oil.

The Company has no other financial and non-financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 of fair value hierarchy.

Guarantee Deposits

Guarantee Deposits are recognised at amortised cost. The management believes that their carrying amounts approximate their fair value.

Trade and other receivables and payables

For receivables and payables with a maturity of less than six months fair value is not materially different from the carrying amount because the effect of the time value of money is not material. Ab- initio receivables are recorded at fair value at initial recognition and subsequently measured at amortised cost. The management believes that their carrying amounts approximate their fair value.

Loans

Loans are recognised at amortised cost. The management believes that their carrying amounts approximate their fair values.

27. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance department that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance department regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS Accounting Standards, including the level in the fair value hierarchy in which such valuations should be classified.

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

As at 31 December 2025 and 31 December 2024 all of the Company's assets were measured at amortised cost except for fuel call options.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in *Note 26*.

28. Commitments and contingencies

Lease commitments

Aircraft

Aircraft leases are for terms of between 4 to 12 years. All lease contracts contain market review clauses in the event that the parties agree to renew the leases. The Company may not have an option to purchase the leased aircraft at the expiry of the lease period. Other aircraft lease agreements do not include a purchase option at expiry of the lease period.

The fixed and fixed part of variable lease payments are denominated and settled in US Dollars. This currency is routinely used in international commerce for aircraft leases.

28. Commitments and contingencies (continued)

Lease commitments (continued)

Aircraft (continued)

The following table presents commitments for aircraft lease agreements that have been signed but for which the lease term has not yet commenced. Accordingly, the related lease liabilities have not yet been recognised in the statement of financial position.

The Company has commitments for aircraft leases not yet commenced, with deliveries expected from 2026 onwards.

’000 KZT	31 December 2025	31 December 2024
Within one year	83,014,480	6,852,851
After one year but not more than five years	254,069,824	334,220,496
More than five years	264,365,328	466,217,577
	601,449,632	**807,290,924**

During 2024 the Company has placed the orders and signed respective lease agreements for 40 aircraft - Boeing 787, Airbus 321LR, A321Neo, A320Neo, A320ceo and A320neo in low-cost carrier configuration with deliveries in period from 2022 to 2028.

During 2025, two Airbus A320neo, two Airbus A320ceo, one Airbus A321neo, and three additional Airbus A320neo in LCC configuration were delivered, while three Embraer E190-E2 were redelivered.

In addition, during the year, two lease agreements were signed for the future delivery of two Airbus A321neo LR.

Lease extensions were also executed in 2025 for two Airbus A321neo, one Airbus A320neo, and one Airbus A320ceo

Insurance

Aviation insurance

Air Astana puts substantial attention in contracting insurance coverage for its aircraft operations and hence hedges aviation risks with major international insurance markets (e.g. Lloyd’s) with a high rating of financial stability through the services of an international reputable broker. Types of insurance coverage are stated below:

- Aviation Hull, Total Loss Only and Spares All risks and Airline Liability including Passenger Liability;
- Aircraft Hull and Spare Engine Deductible;
- Aviation Hull and Spares “War and Allied Perils”;
- Aviation War, Hi-Jacking and Other Perils Excess Liability.

Non – Aviation Insurance

Apart from aviation insurance coverage the Company constantly purchases non-aviation insurance policies to reduce the financial risk of damage to property and general liability, as well as covering employees from accidents and medical expenses, as follows:

- Medical insurance of employees;
- Directors, Officers and Corporate liability insurance;
- Property insurance;
- Comprehensive vehicle insurance;
- Compulsory insurance of employee from accidents during execution of labour (service) duties;
- Pilot’s loss of license insurance;
- Insurance of goods at warehouse;
- Cyber insurance.

28. Commitments and contingencies (continued)

Taxation contingencies

The taxation system in Kazakhstan is relatively new and is characterized by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities, including opinions with respect to IFRS Accounting Standards treatment of revenues, expenses and other items in the separate financial statements. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines and interest charges. A tax year generally remains open for review by the tax authorities for five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

The management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these separate financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

The functional currency of the Company is US Dollar, as it best reflects the economic substance of the underlying events and circumstances of the Company. The Tax Code of the Republic of Kazakhstan does not contain provisions which would regulate questions arising from the application of functional currency in accounting books different from tenge. However, the Tax Code requires all taxpayers in Kazakhstan to maintain their tax records and to settle tax liabilities in tenge. Therefore, the Company also maintains records and conducts calculations in tenge for the purpose of taxation and settlement of tax liabilities and makes certain estimates in this respect. The management believes that such approach is the most appropriate under the current legislation.

Operating Environment

The future economic direction of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment. As Kazakhstan produces and exports large volumes of oil and gas, its economy is particularly sensitive to the price of oil and gas on the world market.

Depreciation of the Kazakhstan Tenge, volatility in the global price of oil and geopolitical conflicts have also increased the level of uncertainty in the business environment. The separate financial statements reflect the management’s assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Company. The future business environment may differ from the management’s assessment.

29. Related party transactions

Management remuneration

Key management that have authority and responsibility regarding management, control and planning of the Company’s activity received the following remuneration during the year, which is included in employee costs *(Note 8):*

’000 KZT	**2025**	**2024**
Wages and salaries	4,544,962	3,354,397
Share-based payment	741,409	670,730
Social tax	480,333	306,390
Termination benefits	13,892	149,381
	5,780,596	**4,480,898**

29. Related party transactions (continued)

Transactions with related parties

For the purposes of these separate financial statements, related parties include:

- JSC "National Welfare Fund Samruk-Kazyna", which holds 41% of the Company's shares as at 31 December 2025 and exercises significant influence over the Company;
- entities controlled or significantly influenced by the Government of the Republic of Kazakhstan (government-related entities);
- Key management personnel of the Company and their close family members; and
- Entities controlled or jointly controlled by such persons.

The Government of the Republic of Kazakhstan is the ultimate controlling party of JSC "National Welfare Fund Samruk-Kazyna".

Accordingly, entities controlled or significantly influenced by the Government of the Republic of Kazakhstan are considered government-related entities for the purposes of IAS 24.

Until 18 December 2025, BAE Systems Kazakhstan Limited held 16.95% of the Company's shares and was considered a related party due to its significant influence.

On 18 December 2025, BAE Systems Kazakhstan Limited disposed of 10.1% of its shareholding, reducing its ownership interest to 6.85%.

Following this transaction, BAE Systems Kazakhstan Limited no longer has significant influence over the Company and therefore ceased to be a related party from that date.

Transactions with BAE Systems Kazakhstan Limited up to 18 December 2025 are disclosed as related party transactions.Among shareholders and their subsidiaries, JSC NC KazMunayGas and its subsidiaries represent the Company's only individually significant supplier, primarily in respect of fuel purchases.

The following table represents the related party transactions:

	2025		2024	
'000 KZT **Services received**	**Transaction value**	**Outstanding balance**	**Transaction value**	**Outstanding balance**
State-owned companies	21,443,362	914,588	50,537,012	1,141,086
	21,443,362	**914,588**	**50,537,012**	**1,141,086**
JSC NC KazMunayGas and its subsidiaries	73,803,327	(5,817,435)	35,027,026	(2,345,648)
Other shareholders and their subsidiaries	241,739	(46,602)	314,643	(6,524)
	95,488,428	**(4,949,449)**	**85,878,681**	**(1,211,086)**

Services from related parties are represented by airport, navigation, meteorological forecasting services and fuel.

Among the shareholders and their subsidiaries, JSC NC Kazpost and its subsidiaries are the only significant client of the Company.

'000 KZT	2025		2024	
Services provided by the Group	**Transaction value**	**Outstanding balance**	**Transaction value**	**Outstanding balance**
JSC NC Kazpost and its subsidiaries	493,346	98,984	548,366	97,680
Other shareholders and their subsidiaries	172,765	4,456	118,953	1,548
	666,111	**103,440**	**667,319**	**99,228**

All outstanding balances with related parties are to be settled in cash within six months of the reporting date. None of the balances are secured.

29. Related party transactions (continued)

Transactions with related parties (continued)

Transactions with government-related entities

The Company transacts with a number of entities that are controlled by the Government of Kazakhstan. The Company applies the exemption in IAS 24 *Related Party Disclosures* that allows to present reduced related party disclosures regarding transactions with government-related entities.

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not government-related.

30. Fees for the services received from the independent auditors

The fees for the services received from the independent auditors including the statutory audit and other non-audit fees as per the agreements for the year ended 31 December 2025:

'000 KZT	**2025**	**2024**
Audit fee	230,000	210,000
Other non-audit fees	31,468	16,833
	261,468	**226,833**

31. Subsequent events

On January 15 2026, the General Meeting of Shareholders approved the agreement with the Boeing Company for the acquisition of five (firm) Boeing 787-9 type of aircraft and secured five option rights and five purchase rights for Boeing 787-9 with deliveries scheduled for 2032-2035.

On February 9 2026, the General Meeting of Shareholders approved the agreement with Airbus S.A.S for the acquisition of five (firm) Airbus A320N type aircraft, twenty (firm) A321NX aircraft and secured purchase rights for twenty-five additional A320neo aircraft family with deliveries scheduled for 2031-2034. As at December 31 2025, the Company paid KZT 21,758,517 thousand as a secured deposit recognised as current guarantee deposits for leased aircraft in *Note 13*.

On February 4 2026, Gonçalo Pires was appointed as the Chief Financial Officer (CFO), effective 1 March 2026 replacing the current CFO, Ibrahim Canliel who will serve as the Chief Executive Officer (CEO), effective 1 April 2026.

On 28 February 2026, the United States and Israel carried out military strikes against the Islamic Republic of Iran, which resulted in increased geopolitical risks and restrictions on flights through the airspace of several Middle Eastern countries, including Bahrain, Qatar, Kuwait, Iraq, Iran, the United Arab Emirates ("UAE") and Syria.

As a result, the Company diverted all flights on 28 February 2026 and temporarily suspended scheduled flights to Dubai (UAE), Medina and Jeddah (Saudi Arabia), and Doha (Qatar) until such time that the relevant airspace is reopened and the Company considers it safe to resume normal operations.

As at the date of approval of these separate financial statements, the Company operated limited repatriation flights to Jeddah and Medina in western Saudi Arabia and Muscat (Oman).

In view of the surge in demand on routes between Kazakhstan and Asia, Central Asia and the Caucasus and Asia, and Asia and Europe, the Company reallocated part of its available aircraft capacity from the suspended Gulf routes to Asian routes.

As a result of the above developments, the Company estimates a neutral impact on profit in March.

The Company continues to monitor developments in the affected regions and assess the potential impact on its operations.

32. Approval of the separate financial statements

The separate financial statements were approved by the management of the Company and authorised for issue on 8 April 2026.