Almaty April 26, 2024

**REPORT ON ACTIVITY OF ALMATY INTERNATIONAL AIRPORT JSC REGARDING PROVISION OF REGULATED TYPES OF SERVICES FOR 2023 TO CONSUMERS AND OTHER INTERESTED PARTIES**

Almaty International Airport JSC provides a report on activities on provision of regulated services in the natural monopolies sector for 2023:

1. Aircraft take-off and landing services;
2. Aviation security service;

* **Information on the implementation of the investment program**

Report on implementation of the investment program of Almaty International Airport JSC for 2023 for **Aircraft take-off and landing service.**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Information on planned and actual amounts of regulated services provision | | | | | Amount of investment program, in thousands tenge | | | |
| Name of regulated services | Name | Measurement unit | Quantity in physical date | | planned | in fact | deviation | causes of deviation |
| planned | in fact |
|
| 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|  | **Total for 2023:** |  |  |  | **1 329 790,14** | **141 736,62** | **889 518,80** |  |
| ***Aircraft takeoff and landing support*** | Air-free road marking machine | pc. | 1 |  | 1 489,29 | 6 664,51 | 5 175,22 |  |
| Tractor ХТЗ 150К | pc. | 1 |  | 22 321,43 |  | -22 321,43 |  |
| Rotary snowplow with screw loader (Supra, Rolba) | pc. | 1 |  | 183 482,14 |  | -183 482,14 |  |
| Aerodrome mower McConnel SR 460 | pc. | 1 |  | 20 647,77 | 23 961,00 | 3 313,23 |  |
| Compact sweeper/blower unit SCHMIDT | pc. | 2 |  | 455 357,14 |  | 1 316 670,14 |  |
| Asphalt Miller W-100F | pc. | 1 |  | 85 950,00 |  | 219 595,04 |  |
| Vacuum sweeper vehicle with a magnetic bar SCHMIDT | pc. | 1 |  | 130 560,71 |  | -130 560,71 |  |
| Grader SANY STG210C-8 | pc. | 2 |  | 66 663,14 |  | -66 663,14 |  |
| Major repair of Runway-1 (repayment of main debt, according to Credit Line Agreement No. K 010-2017 |  |  |  | 111 111,11 | 111 111,11 | 0,00 | In 2021, ALA JSC repaid the debt under Agreement No. K 01-2017 ahead of schedule |
| High voltage units with vacuum circuit breakers | pc. | 1 |  | 2 007,41 |  | -2 007,41 |  |
| Aerodrome fire engine AA-11,0 (VOLVO) | pc. | 1 |  | 250 200,00 |  | -250 200,00 |  |

Almaty International Airport JSC is a provider of a full range of airport services and has an expanded non-aviation activities segment. Currently, the airport serves 35 passenger and 16 cargo air companies on a regular basis.

In general, our efforts are aimed at ensuring a high level of flight safety and aviation security, providing fast, high-quality and comfortable passenger service, and creating favorable cooperation conditions for air companies.

In the future, the airport will continue to operate along the same lines, strengthening its position in the airport services market and developing its competitive advantages.

* **Information on the main financial and economic indicators of the natural monopoly's activities**

According to the 2023 results, Almaty International Airport JSC operated according to the following production and financial indicators which characterize the main operating activities of the company:

**Total number of flights - 79.2 thousand, of which:**

* + arrivals - 39.6 thousand flights,
  + departures - 39.6 thousand flights;

or

* + domestic flights - 39.1 thousand.
  + international flights - 40.1 thousand.

**Total number of passengers served - 9.5 million, of which:**

* + on domestic flights - 5.4 million people,
  + on international flights - 4.1 million people

**Total amount of cargo handled - 78.2 thousand tons, of which:**

* + domestic flights - 9.1 thousand tons,
  + international flights - 69.1 thousand tons.

**Total amount of aviation fuel refueled - 231.8 thousand tons, of which:**

* + domestic flights - 2.1 thousand tons,
  + international flights - 229.7 thousand tons.

Total revenues in 2023 amounted to 189.3 billion tenge, of which about 3.4% were revenues from regulated types of services, namely 6.5 billion tenge.

* **Information on volumes of provided regulated services (goods, works) for the reporting period;**

**Analysis of volumes of regulated services for 2022 - 2023.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Period | Direction, thousand tons of MTOW | | | Total: |
| Domestic,  scheduled. | Domestic, unscheduled | International |
| 2022 | 1 200.16 | 50.85 | 2 262.37 | 3 513.38 |
| 2023 | 1 379.95 | 45.56 | 1 799.90 | 3 225.41 |
| Growth/decline | 14.98% | -10.41% | -20.44% | -8.20% |

* **Information on item-by-item implementation of tariff estimates for the reporting period, approved by the authorized agency;**

Regulated service on **aircraft takeoff and landing**, the tariff was approved by Order АРЕМ №130-ОД in 2004. Expenses for 2023 from the provision of the service to ensure takeoff and landing amounted to 6,812.58 million tenge. In comparison with the expenses approved by the authorized body, in the tariff estimate for 2023 for this service the plan implementation amounted to 299.83 %.

Revenues from takeoff and landing services amounted to 6,327.59 million tenge. In comparison with the revenues approved in the tariff estimate for this service, the overperformance of the plan amounted to 219.69%.

Volumes for 2023 amounted to 3,225.41 thousand tons of MTOW, which is 215.78% more than the volumes approved in the tariff estimate.

**Ensuring aviation safety on domestic air routes**.

The tariff was approved by the order of the Civil Aviation Committee, considering the amendment No.602-OD dated 15.12.2018. Expenses for 2023 from the provision of aviation safety service on domestic air routes amounted to 2,917.03 million tenge. In comparison with the costs stipulated in the tariff estimate for 2023, the fulfillment amounted to 1,447.65 %. Revenue for 2023 from the provision of this service amounted to about 179.15 thousand tenge. In comparison with the income provided for in the tariff estimate, the fulfillment amounted to 88.91 %.

Volumes of domestic air routes in 2023 amounted to 1,425.51 thousand tons of max. take-off weight, which was 131.74% of the volumes approved in the tariff estimate.

The loss on aviation security service for 2023 amounted to 2,737.88 million tenge. Actual cost of aviation security service exceeds the cost approved by the Authorized Body in the tariff estimate.

* **Information on business prospects (development plans), including possible changes in tariffs for regulated services.**

In early 2021, Almaty International Airport JSC applied for approval of the investment project for regulated service "Aircraft take-off and landing provision for 2021-2026", which was approved by the order of the Civil Aviation Committee of the Ministry of Industry and Infrastructural Development of the Republic of Kazakhstan No. 34 dated June 25, 2021. To date, ALA continues to fulfill the approved investment program

ALA JSC has an integrated management system certified for compliance with international standards. As a result of the re-certification audit for 2018, the following certificates were verified:

МС ISO 9001:2015 – Quality management systems.

МС ISO 14001:2015 – Environmental management systems.

OHSAS 18001:2007 – Occupational health and safety management systems.

Certification for these types of management system is valid until 2023 and applies to the following activities of ALA JSC:

* Ensuring safety and regularity of flights;
* Aviation security;
* Serving air companies and cargo customers.

Funds have been allocated in 2023 to carry out:

* modernization, technical re-equipment and reconstruction of fixed assets for regulated services;
* modernization of modern and high-tech special equipment in order to renew the existing fleet and improve service quality.