

Claim No: CL-2023-000262

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
COMMERCIAL COURT (KING'S BENCH DIVISION)

B E T W E E N :

YERMEK ALIMOV

Claimant

and

(1) ABDUMALIK MIRAKHMEDOV
(2) RASHIT MAKHAT
(3) ANDREY KIM
(4) GENESIS DIGITAL ASSETS LIMITED

Defendants

**SECOND WITNESS STATEMENT OF RASHIT
MAKHAT**

I, **RASHIT MAKHAT**, of [REDACTED]
[REDACTED] WILL SAY:

1. I am the Second Defendant in these proceedings. I make this witness statement in support of my application to challenge the jurisdiction of this Court to determine this matter and to set aside the order of Mrs Justice Dias dated 19 October 2023 for service of the Claim Form and Particulars of Claim out of the jurisdiction and by way of alternative means (the "**Dias Order**") (the "**Application**"). For the avoidance of doubt, although I speak Kazakh and Russian fluently, I am comfortable making this statement in English, as I also speak English to a sufficient standard. However, I would of course

be more comfortable if the proceedings were conducted in Kazakh or Russian and if I were required to give oral evidence, I would want to do that in Kazakh or Russian, not English, as I can express myself better and more naturally in those languages.

2. I adopt the definitions used in my first statement ("**Makhat 1**") unless otherwise indicated.
3. This statement has been prepared following discussions and correspondence with my solicitors, Mishcon.
4. I make this second statement in response to the evidence Mr Alimov filed in answer to the Application on 28 June 2024.
5. Nothing in this statement is intended to waive privilege or submit to the jurisdiction of the Courts of England and Wales in relation to any matters arising out of or in connection with the claim and the allegations made therein.
6. I understand that my Application is not a trial, and I do not in this statement address every point raised by Mr Alimov or his witnesses. If I do not comment in this statement on any particular matter raised by Mr Alimov or his witnesses, then it does not mean that I accept what they say about that matter. As I have already mentioned in Makhat 1, I strongly reject the claims made against me by Mr Alimov.
7. I have read the second witness statement of Kasra Nouroozi Shambayati ("**Nouroozi 2**") dated 8 March 2024, which covers certain procedural matters pertaining to jurisdiction and forum. Insofar as the contents of that statement are within my knowledge, they are true, and otherwise I believe them to be true.
8. I have also read the witness statements filed by Mr Mirakhmedov and Mr Kim in these proceedings. Insofar as the contents of these statements are within my knowledge, they are true, and otherwise I believe them to be true.
9. The facts and matters set out in this statement are within my own knowledge, unless the contrary is expressly stated. Where they are within my own knowledge, they are true to the best of my knowledge and belief. Where the facts and matters are not within my own knowledge, I give the source of my information and believe them to be true to the best of my knowledge and belief.

10. I refer to a paginated bundle of documents marked "**RM2**". It contains copies of the documents to which I refer in this statement. Unless the context makes otherwise clear, references to page numbers in this statement are to **RM2**.
11. The background facts and procedural history of this matter are outlined in Makhat 1 as is my evidence relating generally to the claims against me in these proceedings and my lack of connection to England and Wales. I do not intend to rehearse these points in this witness statement, save that I do address the even stronger connections this claim has to Kazakhstan in light of the matters raised in Mr Alimov's evidence. At various places in this statement, I explain how issues that Mr Alimov has raised would require investigation in Kazakhstan and evidence from witnesses in Kazakhstan and/or that speak Kazakh (or Russian) and documents in Kazakh or Russian.
12. This witness statement is split into the following sections:
- a. The case against me
 - b. Further alleged meetings with Mr Alimov
 - c. My alleged connection to Mr Kairat Satybaldy ("**Mr Satybaldy**")
 - d. The alleged partnership with Mr Alimov
 - e. The other mining projects
 - f. Temirshi LLP and Mr Alimov's purported ownership of Stal and ABK
 - g. The criminal proceedings involving Mr Makhambet Abzhan ("**Mr Abzhan**")
 - h. Alleged threats to Mr Alimov and his witnesses
 - i. Purported service of the claim

A. The case against me

13. I would like to say right at the start that I am completely unsure about what the case against me is.
14. I understood the case to be that I am bound by the alleged "London Agreement" because Mr Mirakhmedov entered into it on my behalf. As I said at paragraphs 37(a) and (b) of Makhat 1, that case did not work because Mr Mirakhmedov did not have authority to reach any sort of agreement with Mr Alimov on my behalf, and Kazakhstan

law takes a formalistic approach on how agreements are entered into. I did not understand (and do not understand) it to be alleged that Mr Mirakhmedov had a power of attorney from me.

15. However, at paragraph 38 of his third witness statement, Mr Iatuha says that that I am bound by the alleged “London Agreement” because my “*subsequent conduct*” showed that I “*approved*” it and “*performed*” it. That seems to be fundamentally different, and I do not understand it. I do not understand what conduct is being relied upon, what is said to amount to approval, and why, and what is said to amount to performance, and why. I believe this is entirely unfair.

16. I am also confused by what Mr Alimov has now said about Mr Satybaldy. I address some of the new allegations below, but as I understand it, Mr Alimov is now saying that I acted “*on behalf of*” Mr Satybaldy in the Bitcoin mining project (see for example paragraphs 16 and 132 of Alimov 1). This is not something that was said before, and I do not understand what it means or what the case against me means in light of it. If I was acting “*on behalf of*” Mr Satybaldy, I do not understand what it means for Mr Mirakhmedov to have agreed the alleged “London Agreement” on my behalf (if that is still being said – see above), and I do not understand how my “*subsequent conduct*”, “*approval*”, or “*performance*” of the “London Agreement” could have bound me to it. Again, I believe this is entirely unfair.

17. In this statement, I will respond to certain points made by or on behalf of Mr Alimov as best I can, but it is difficult to respond to a case that is so vague and ever-changing. To be clear though, I do not believe I have ever done anything to suggest that I agreed to anything like the alleged “London Agreement”, and I was not even aware anything like it was being alleged before it was raised in Mr Alimov’s claim documents in these proceedings. Nor was I acting “*on behalf of*” Mr Satybaldy, whatever that is supposed to mean.

B. Further alleged meetings with Mr Alimov

18. As I set out at paragraph 39(a)-(d) of Makhat 1, I had very limited interactions and meetings with Mr Alimov, and they were predominantly in social settings. However, Mr Alimov has now (for the first time) raised several further meetings which he alleges I attended with him and others. I will address each of these alleged meetings in this section.

The quad biking safari in Dubai in 2014

19. Mr Alimov alleges at paragraph 14 of Alimov 1 that Mr Satybaldy first introduced him to me and Mr Kim in Dubai in 2014 on a quad biking safari. That is not true.
20. As I have previously stated (see paragraph 38 of Makhat 1), I have known Mr Alimov since around 2009. I was friendly at the time with a man by the name of Mr Almat Saparbayev who I met through religious circles in Kazakhstan; and he was the person who first introduced me to Mr Alimov.
21. Later my wife became close friends with Mrs Dinara Zakiyeva, who was also friends with Mr Alimov's wife, Gulmira Alimova ("**Mrs Alimova**"). It was in fact Mrs Zakiyeva who suggested that my wife join the board of trustees of a (Kazakh) charity named Kasietty Zhol in July 2017 (and not 2018 as Mr Alimov alleges at paragraph 162 of Alimov 1). Mrs Zakiyeva was the main individual involved in the charitable organisation. Joining the board was therefore not a decision that my wife or I took to "*to establish proximity*" to Mr Alimov's family "*in the context of our new business relationship*" as Mr Alimov asserts at paragraph 162 of Alimov 1.
22. As to the quad biking trip, as far as I recall, Mr Kim and I were in Dubai at the time with our families and we were invited to a quad biking safari with our sons. I do not recall exactly who invited me to this event. However, at the time there were very few Kazakh families living in the UAE so I believe we must have been invited by fellow Kazakhs living in the UAE.
23. In any case, we did not have the conversation which Mr Alimov claims we had with Mr Satybaldy. Mr Alimov has simply made that up, in what appears to be a wider effort to link me and this claim with Mr Satybaldy for some reason.
24. If this case were to go to trial, I would wish to explore the evidence that Mr Saparbayev, Mrs Zakiyeva and Mr Satybaldy might be able to give about the these matters. As far as I am aware, they all live in Kazakhstan and speak Kazakh and/or Russian. In Mr Satybaldy's case, I understand from media publications [RM2/2-3] that he has been released from prison and has to serve the rest of his sentence on probation in Kazakhstan.

The alleged telephone call to Mr Alimov in May 2017

25. Mr Alimov alleges at paragraph 12 of Alimov 1 that Mr Kim and I first approached Mr Alimov by telephone in May 2017 in relation to the Bitcoin mining project on the

recommendation of Mr Satybaldy. I do not recall this telephone conversation occurring at all, and it is certainly not the case that Mr Satybaldy recommended Mr Alimov, or that I told Mr Alimov that he had. I also do not believe that Mr Kim (or Mr Mirakhmedov) would have said that, as it was not true.

26. Again, if this matter were to go to trial, I would wish to explore the evidence that Mr Satybaldy might be able to give about this.

The May 2017 meeting in the Radisson Hotel in Astana

27. As I had already mentioned at paragraph 39(b) of Makhat 1, a meeting, or possibly two meetings, did take place with Mr Alimov at the Radisson Hotel in May 2017 with me, Mr Mirakhmedov and Mr Kim (the "**May 2017 Meeting**"). However, what Mr Alimov says at paragraphs 16-19 of Alimov 1 about what was discussed at the May 2017 Meeting is wrong.
28. Mr Alimov says at paragraph 16 of Alimov 1 that I had identified myself (or was identified) as acting on behalf of Mr Satybaldy. That is not true. I was not acting on behalf of Mr Satybaldy, and I did not say that I was. Nor did anybody else. Nor is it true that Mr Kim (or anyone else) said that he was acting on behalf of Mr Satybaldy. He was not. Nor is it true that I (or anyone else) said to Mr Alimov that I had government connections.
29. Nor are the other details that Mr Alimov gives of the May 2017 Meeting correct. It is not true that Mr Alimov was given details about the joint venture with GM. Nor is it true Mr Alimov was asked to help provide a cheap source of energy for the Bitcoin mining project by helping with the purchase of a power station. As I set out at paragraph 39(b) of Makhat 1, the purpose of the May 2017 Meeting as I recall it was to discuss Mr Alimov brokering sites for Bitcoin mining facilities.
30. To give some context to what was discussed, throughout 2017, I was very much in the preliminary stages of finding suitable energy assets for the Bitcoin mining project. This involved meeting many different people with the intention of finding a lease agreement or alternatively assets to purchase that would be suitable for the project. Never as part of these many interactions did I approach the people I was meeting with a view to forming any type of business partnership. I was simply connecting with people who I thought could find, sell or lease suitable assets.

31. All of the individuals I approached were (and I believe are) based in Kazakhstan, and Russian will be their mother tongue. Some of them, I believe, also speak Kazakh, but not all of them. I would try to get evidence from these individuals if this case were to progress.
32. Mr Alimov also did not tell us at the May 2017 Meeting (or at another meeting shortly after) that he owned Stal, the Vtorprom Factory and ABK. Mr Alimov made no explicit mention of such assets. I also do not understand how he would have been able to claim that he owned these assets, given that he was neither the legal owner, nor the shareholder of the company, Temirshi LLP ("**Temirshi**"), which did own them at the time [RM2/4-10]. Again, if this case were to go forwards, I would want to properly investigate the true ownership of these Kazakh assets.
33. In fact, Mr Alimov first informed us of Stal and ABK around August 2017. Mr Alimov spoke very highly of them, which prompted us immediately to visit the facilities. I recall visiting the sites with Mr Alimov in August 2017. Mr Kim exhibited photographs of our visit showing the condition of the assets (see AK1/105-106). Had Mr Alimov mentioned Stal and ABK in May 2017, as he alleges, we would have visited the facilities straight away; we would not have waited three months to do so.
34. Other than this initial visit to Stal and ABK, I do not recall any other meetings at Stal and ABK with Mr Alimov.
35. Again, the circumstances surrounding our visit to the facilities is something that I would want to get more evidence about if this case were to go forwards.
36. It is also not true that we discussed Mr Alimov's purported deal with Hua Tun to sell Stal and ABK (as Mr Alimov suggests at paragraph 24 of Alimov 1), and it follows that we did not ask that Mr Alimov to try and consider a way to exit his purported contract with Hua Tun (as he alleges at paragraph 103 of Alimov 1). I have never had any discussions with Mr Alimov about Hua Tun at all.
37. I do not recall exactly when or in what context I first came to know of Hua Tun, and during our initial visits to the sites, which are located in a poor area of Kazakhstan, Karagandy, I remember thinking that it looked like the buildings had been abandoned and left to fall into disrepair since the Soviet Union era.
38. If this case were to go to trial, I would want to thoroughly investigate the position with Hua Tun to find out what arrangements (if any) Mr Alimov really had with them.

39. Whilst on the topic of Hua Tun, Mr Alimov claims at paragraph 104 of Alimov 1 that I offered its (unnamed) representatives my white Mercedes-Benz S500 W222 in exchange for them "*repudiating the contract*", and that Mr Kim offered to compensate Mr Alimov by providing a flat of his to Mr Alimov. That is not true. I never offered a car to a representative of Hua Tun (nor am I even aware, as I have said, of when I first came to know of Hua Tun). I did not even own the model of car that Mr Alimov says I offered.
40. These are again matters that I would wish to get evidence from Hua Tun's representatives about, who Mr Alimov says are Kazakh nationals, in order to rebut Mr Alimov's assertions should this case proceed.

The alleged dozens of meetings after the first meeting in May 2017

41. Mr Alimov says at paragraph 25 of Alimov 1 that there were "*dozens*" of meetings after the May 2017 Meeting. That is not true either.
42. Mr Alimov says that these alleged meetings mostly took place in my office in the Radisson Hotel in Astana. I never invited Mr Alimov into my office. As Mr Alimov will know very well, the lobby of the Radisson Hotel is a popular meeting spot used frequently by businessmen in Kazakhstan. It is not unusual to see people in passing in the lobby. My office in the Radisson Hotel is located next to the lobby. It is possible that Mr Alimov may have visited the Radisson Hotel lobby frequently, but he did not do so to meet with me, and he was certainly not invited to my office for any sort of meeting, let alone "*dozens*" of them.
43. There are several employees working at the office in the Radisson Hotel, including a receptionist and an office manager who began working for me in 2016. All of these individuals are based in Kazakhstan and speak Russian as their mother tongues (as well as Kazakh). Should this case progress, I would seek to rely on evidence from them to confirm that these alleged meetings did not take place.
44. In addition, at paragraph 26 of Alimov 1, Mr Alimov names Mr Maksim Soulimov, Mr Denys Rusinovich and Mr Sergey Yeltsov as individuals who used Mr Mirakhmedov's room. In terms of those individuals Mr Alimov mentions, Mr Soulimov is based in Cyprus and his mother tongue is Russian. I understand that Mr Rusinovich is based in Germany and that his mother tongue is also Russian. I believe that Mr Yeltsov (who visited my office very occasionally) is based in Kazakhstan, with his primary workplace in Almaty, and, again, his mother tongue is Russian. If this case goes forwards, I would

also seek witness testimony from these individuals to address what Mr Alimov has said about our interactions.

The alleged meeting at the Radisson Hotel in Astana on 6 June 2017

45. Mr Alimov says at paragraphs 28-29 of Alimov 1 that on 6 June 2017 a meeting took place in the lobby of the Radisson Hotel in Astana at around 8 or 9 pm where Mr Alimov introduced Mr Kim and me to three energy experts, Mr Jon Abbas Zaidi ("**Mr Zaidi**"), Mrs Elena Kaplunovskaya ("**Mrs Kaplunovskaya**") and Mr Navid Ismail ("**Mr Ismail**"). Mr Alimov alleges that I led this meeting, that we had a brief discussion with these experts to see whether they were suitable for the project, and that it was agreed that Mr Kim and I would split the costs of the experts with Mr Alimov.

46. All of that is a total fabrication. I did not attend a meeting at the Radisson Hotel in Astana on 6 June 2017. I also do not recall ever being provided with these experts' CVs. I travelled on a flight from Astana to Almaty which took off at 11.53am on 6 June 2017 [RM2/11]. I returned to Astana on 8 June 2017. I was therefore in a different city at the time Mr Alimov says the meeting took place.

47. If this case were to go forward, I would want to get evidence from Mr Zaidi, Mrs Kaplunovskaya and Mr Ismail about all of this. Mr Zaidi is a Kazakh national, who I understand to be currently resident in Tashkent, Uzbekistan. His mother tongue is Urdu. Mrs Kaplunovskaya is a Kazakh national and lives in Kazakhstan. I understand that her native languages are Russian and Ukrainian, and she speaks very little English. I am not aware of Mr Ismail's whereabouts, nor do I know what languages he speaks.

The alleged weekly inspections in September 2017

48. Mr Alimov's brother, Aydyn Alimov ("**Mr A Alimov**"), whom I have only met one or two times, alleges at paragraph 28 of his first witness statement ("**Aydin 1**") that in September 2017, Mr Alimov, Mr Kim and I would come to Stal and ABK weekly to inspect the progress of the works on the sites. That is not right. Given that the journey from where I lived to Stal and ABK was approximately a 3-hour drive each way, this was not something I would do every week. In any case, attending a site every week is not useful as the progress of construction is slow. In addition, as I mentioned earlier in this statement, the only time I recall Mr Alimov coming to the sites with me was when we first visited them in August 2017.

The alleged meeting at the end of March/ beginning of April 2018 in the Radisson Hotel

49. Mr Alimov alleges at paragraphs 132 and 163(d) of Alimov 1 that a meeting took place with Mr Alimov, Mr Kim, Mr Vakha Goigov ("**Mr Goigov**") and me at the Radisson Hotel in Astana. Mr Alimov alleges that during this meeting I instructed Mr Kim to reduce Bitcoin payments to Mr Alimov (which he alleges was because there was not enough available Bitcoin to provide to Mr Satybaldy). None of that is true. No such meeting ever took place. I was in fact outside of Kazakhstan between 21 March 2018 and 3 April 2018, as can be seen from the Border Control Statement I have exhibited at **[RM2/12-19]**. In any case, I have never asked (or "*instructed*") Mr Kim to reduce Bitcoin payments to Mr Alimov. And Mr Satybaldy was not involved in the Bitcoin mining project at all; nor did he receive any of the types of payment Mr Alimov alleges.

50. If this case were to go forward, I would want to explore what evidence Mr Goigov and Mr Satybaldy could give about these matters. Mr Goigov is a Kazakh national, and as far as I know, he is now based in Kazakhstan. I am not aware of what Mr Goigov's mother tongue is, but I recall that he used to speak to us in Russian.

The alleged meeting on or around 16 March 2019

51. Mr Alimov claims at paragraph 163(e) of Alimov 1 that he, Mr Kim and I had a meeting in the Raddison Hotel at which we told Mr Alimov that he was being removed from the GM JV. That is not true either.

52. I set out at paragraph 39(c) of Makhat 1 that Mr Kim and I met with Mr Alimov in May 2019 in the hotel lobby of the Radisson Hotel in Astana, where we discussed an outstanding payment under the purchase agreement for the ABK buildings and major issues relating to the capacity of my asset Stal. I wish to make a correction to that paragraph; and that is that the meeting to which I referred in fact took place I believe in March 2019 (not May 2019), though I cannot be sure of the date. However, there was never a discussion where I told Mr Alimov he was being removed from the GM JV (which would have made no sense, as Mr Alimov was never part of the GM JV), either at that meeting or at all.

The alleged fleeting social interaction in November 2021

53. Mr Alimov claims at paragraph 163(f) of Alimov 1 that he saw me in the car next to him as he was leaving a wedding of one of his friend's children in November 2021. I did not attend any weddings in or around November 2021, so I do not see how what Mr Alimov

says could be right. Mr Alimov does not say where the wedding was, or whose it was, but if he happened to drive past me somewhere, I certainly did not see him.

C. My alleged connection to Mr Satybaldy

54. I have known Mr Satybaldy for many years and would say that I have a friendly relationship with him. Our wives also socialise together within the same social circles in Kazakhstan. However, despite what Mr Alimov says, Mr Satybaldy was not, in any capacity, involved in the Bitcoin mining project.

55. As I sent out in Makhat 1 (paragraphs 28 to 32), towards the end of last year, Mishcon was in correspondence with a journalist at the Wall Street Journal, a Mr Elliot Brown ("**Mr Brown**"), about a number of questions relating to the facts of this claim. In the course of preparation of his article, Mr Brown also sent questions to Mr Satybaldy (as he did to me) [RM2/20-21]. These questions and the answers provided by Mr Satybaldy were shared with me (and some of Mr Satybaldy's answers were included in Mr Brown's article [RM1/42-49]). When asked whether Mr Satybaldy ever participated in the activities of GDA (formerly known as Powerry), Mr Satybaldy responded that *"I have not been involved in Powerry or GDA in any capacity. I do not and have never owned, directly or indirectly, any shares in this company, nor have I invested in or received any money or any other benefit from this company"* and *"Yermek's statements that I was an indirect owner of a share in the GDA company, or was behind Rashit Makhat's entire business, are false and even outrageous, because I was in close contact with Yermek. Rashit Makhat has never been my representative in business. We crossed paths many times in professional capacities, but Rashit did not work for me"* [RM2/21].

56. I do not know why Mr Alimov is seeking to manufacture a connection between his claim and Mr Satybaldy, and to make false statements about my relationship with Mr Satybaldy in order to do so. I have addressed aspects of this above, but to be clear:

- a. Mr Satybaldy did not introduce us: see paragraphs 19 to 24 above.
- b. Mr Satybaldy did not recommend Mr Alimov, nor did I (or I believe anyone else) tell Mr Alimov that he did: see paragraphs 25 to 26 above.
- c. I was not representing or acting on behalf of Mr Satybaldy in relation to the Bitcoin mining project, and nor do I believe was Mr Kim, and neither I, nor I

believe anyone else, said that I or Mr Kim were representing or acting on Mr Satybaldy's behalf: see paragraphs 27 and 28 above.

- d. Bitcoin from the Bitcoin mining project was not paid to Mr Satybaldy, nor did I (or I believe anyone else) say that it was: see paragraph 49 above.
- e. Finally, the allegation made by Mr Alimov at paragraph 13 of Alimov 1, that Mr Satybaldy was paid \$100,000 in cash in exchange for "*krysha*" is completely untrue. I understand from Mr Kim that he never said this to Mr Alimov. I consider this allegation to be particularly outrageous. I would never involve myself in such arrangements.

D. The alleged partnership with Mr Alimov

57. As I set out in Makhat 1 at paragraphs 40-54, Mr Alimov had a limited role in the ABK Project. His role was strictly confined to introducing certain assets in Kazakhstan. He was an introducer or broker, not a partner.

58. It is also not true (as Mr Alimov states at paragraph 100 of Alimov 1) that by the end of July 2017, it had been agreed between me, Mr Kim, Mr Mirakhmedov and Mr Alimov that we would use Stal and ABK for the ABK Project. We had not even visited the sites at that point.

59. Despite what Mr Alimov says at paragraph 67 of Alimov 1, I have never introduced Mr Alimov as my business partner to anyone, nor have I ever heard Mr Kim or Mr Mirakhmedov (or Mr Alimov) doing so. It would have been absurd to do so. If this case were to go forward, I would want to investigate the evidence I could get in relation to this issue further. This would again involve getting evidence from third parties in Kazakhstan, as that is where everything happened (either actual or alleged) involving Mr Alimov.

60. I do not agree with the statement that Mr Alimov makes at paragraph 78(a) of Alimov 1 that there is a common understanding in Kazakhstan, especially amongst "*old-school businessmen*", that a deal is conducted on a "*gentlemen's agreement*" without any written contracts in place. That does not reflect my practice or those of the (many) Kazakh businesspeople I have dealt with. I have a team of people in-house and also utilise outsourced staff who regularly perform due diligence and legal documentation work on deals before I agree to them. This is, again, something on which I would like to get evidence if this matter were to go to trial. The working languages of my teams

are Kazakh and Russian, and the members are predominately based in Kazakhstan. Certainly, at the relevant time, the members of my team would have almost all been based in Kazakhstan. The existence (or non-existence) of such a practice seems to me something that is best considered by a Kazakh judge.

61. I would also want to investigate whether Mr Alimov's statement is consistent with his own prior business practices, and would want (if permitted) to get expert evidence on business practices in Kazakhstan if the case goes forward. That is in addition to expert evidence on the electricity market in Kazakhstan, as so much of Mr Alimov's case is based on the apparent benefits that he could get the ABK Project by getting round what would be, he says, usual market conditions and prices.
62. As I indicated in paragraph 50 of Makhat 1, Mr Alimov decided not to memorialise his commission arrangement in writing. I was content with that. Given the nature of the agreement (a simple commission/introductory fee agreement), I was comfortable that the risks associated in entering into it orally were low, especially as I was not owed money under the agreement, and I knew that we were going formally to document the purchase of any asset that was introduced (which we did). But that reasoning would not translate into a far more complex deal, such as the alleged "London Agreement" which, as I have said before, I would have insisted being in writing if I had agreed to it at all. At the very least, the terms would be recorded somewhere in writing or there would have been some written reference to the terms.
63. Mr Alimov incorrectly claims at paragraph 83 of Alimov 1 that Mr Mirakhmedov was the only person financing the Bitcoin mining project and that neither Mr Kim or I ever *"paid a penny to the joint venture"*. He also claims that Mr Mirakhmedov was the ultimate decision maker on the project as a result of this. This is simply not true. I did provide funding for the project, and Mr Mirakhmedov was not the ultimate decision maker. As I explained in Makhat 1, he had no authority to bind me to the alleged "London Agreement".
64. Mr Alimov's lack of understanding of my relationship with Mr Mirakhmedov is also evident from what he says at paragraph 85 of Alimov 1, where he seems to suggest that Mr Mirakhmedov had authorised myself and Mr Kim to carry out discussions on his behalf with Mr Alimov and his team in Kazakhstan in May 2017. This is again entirely untrue. I always understood that if any actions were to be taken by any of us that could have legal consequences for the others, those actions would have had to be approved and authorised by each of us in advance. I was never authorised by Mr

Mirakhmedov to carry out discussions with Mr Alimov on Mr Mirakhmedov's behalf in May 2017 or at any other time (and neither do I believe was Mr Kim).

65. Mr Alimov also claims at paragraph 66 of Alimov 1 that my wife told Mrs Alimova that Mr Kim was untrustworthy. This appears to be little more than a transparent attempt by Mr Alimov to cause friction between myself and Mr Kim, but it also highlights how little Mr Alimov knows of my and my wife's relationship with Mr Kim. Mr Kim is considered by us as part of our family, and our respective families are very close. I have known Mr Kim since he was 18 and I was the best man at his wedding. I find the suggestion that my wife said this to Mrs Alimova, someone she hardly knows, to be inconceivable and offensive. I specifically asked my wife about this allegation since seeing Mr Alimov's evidence, and she has told me that it is completely false, and that she said no such thing to Mrs Alimova.
66. Mr Alimov says at paragraph 150 of Alimov 1 that he repeatedly asked "MMK" about the creation of a corporate vehicle and when he would get shares in it, and that "they" said that Mr Maksim Sulimov was working on it. That is not true either. I was certainly never asked about those things by Mr Alimov, and I did not say what he alleges. I would want to get evidence from Mr Sulimov on this if the case goes forward.
67. Mr Alimov alleges at paragraphs 113-114 of Alimov 1 that around January 2018, Mr Kim and I requested that Mr Alimov transfer Stal and the ABK buildings to Prima so as to protect the assets from the claims of the minority shareholders of Temirshi. Mr Alimov also says that the transfer was done at book value, not market value, and that there was no negotiation of the transfer sum, because it was not a genuine sale. These statements are false.
68. The negotiations relating to the sale of Stal and ABK began in August 2017 and were finalised in January 2018. I did not know of any claims brought by Temirshi minority shareholders at the time, and only found out these claims existed when Mr Alimov filed his claim in these proceedings. I have never had any prior discussions about this issue with anyone.
69. Moreover, the price that was paid by Prima for Stal and ABK was negotiated and determined in accordance with the market price at that time. I am aware of the following market valuations which I relied on:

- A. Stal's market valuation report dated 24 October 2016 valued Stal at 46,481,000 Tenge [RM2/22-99]. I understand that this valuation was prepared in the context of enforcement proceedings relating to Temirshi.
- B. The ABK Buildings' market valuation report dated 8 January 2018 valued the ABK Buildings at 256,012,000 Tenge [RM2/100-163].
- C. If those valuations are disputed, and this matter goes forward, I would seek to get the evidence of the valuers, who were clearly based in Kazakhstan.

70. I would add that Mr Kim and I were all involved in this process of negotiating and determining the price for Stal and ABK, as was Mr Naurazaliev. All documents in relation to the negotiations were in Russian and the negotiations took place in Russian. I understand from his witness statement that Mr Naurazaliev is based in Kazakhstan and speaks Kazkh and Russian, and I note that he prepared his statement in Russian and says he speaks limited English.

71. My employees and outsourced staff at the time were also involved in the negotiations. As I have mentioned, all of them are based in Kazakhstan and speak Russian and Kazakh. If these proceedings were to continue, I would want to explore the evidence my employees and outsourced staff at the time could give in on all the points that Mr Alimov has raised.

E. The other energy facilities and mining projects

72. Mr Alimov in his evidence describes his alleged involvement in the Kardok and Titan Projects, but in reality he did not have any involvement in either of them.

The Titan Project

73. Mr Alimov claims at paragraph 140 of Alimov 1 that he represented Mr Mirakhmedov, Mr Kim and me in negotiations for the purchase of Sogrinskaya, and that he was able to negotiate a reduction in the price from US\$25 million to US\$8 million. Neither of those things is true. I did not ask Mr Alimov to conduct negotiations with Mr Idrissov, who was in any event a close contact. As far as I know it was Mr Mirakhmedov (and not me and certainly not Mr Alimov) who conducted all the negotiations with respect to Sogrinskaya.

74. Mr Idrisov is a Kazakh national, based in Kazakhstan whose mother tongue is Kazakh (but also speaks Russian). I would want to get evidence from him on this point if this case proceeds.

75. In addition, I believe Mr Alimov's evidence on this issue is demonstrably false:

- a. During the criminal proceedings against Mr Abzhan (which I referred to in paragraph 33 of Makhat 1 and refer to further below), I gained access to communications between Mr Alimov and Mr Abzhan due to my status as a victim. They included messages to Mr Abzhan stating that Sogrinskaya was worth US\$25 million, but there were "*rumours*" that that "*bandits of Satybaldy*", which allegedly included me, "*mugged*" the owner **[RM2/164-173]** and **[RM2/174-177]**. Mr Alimov denies feeding false information to Mr Abzhan (see paragraphs 168 and 181 of Alimov 1). But he cannot have it both ways. Either his messages were false, or his current evidence that that he conducted the negotiations and got the price down is false. In fact, they are both false.
- b. Also during the criminal proceedings, my lawyers sent a request to Mr Idrisov's company that sold Sogrinskaya, Kazakhstan Communal Systems, asking it questions about the allegations that Mr Alimov had fed to Mr Abzhan. It confirmed that the sale was at market price, no pressure had been exerted on it to reduce the price, and neither Mr Satybaldy nor any representative of his participated in the negotiations **[RM2/178-181]**.

76. Mr Alimov then, at paragraph 142 of Alimov 1, describes an incomprehensible story about travelling with Mr Mirakhmedov, Mr Kim and me to Ust-Kamenogorsk to inspect Sogrinskaya, and how this last-minute journey prevented him from attending a dinner with the Satybaldy family. He then alleges that he asked me to inform Mr Satybaldy that he would not be able to attend the dinner and that later he found out that I had not informed Mr Satybaldy of his travel plans – apparently in a strategic move to cut off his direct access to Mr Satybaldy. This story is utter nonsense:

- a. Firstly, I did not travel to Ust-Kamenogorsk in February 2018 to inspect Sogrinskaya.
- b. Secondly, I do not recall any conversation with Mr Alimov about a dinner with Mr Satybaldy, and I do not believe I had one.

- c. Thirdly, it would also have been socially abnormal to do what Mr Alimov is describing (i.e. for me to contact Mr Satybaldy on his behalf in relation to dinner plans), and I would have told him so had he asked me, which he did not.
- d. Fourthly, it makes absolutely no sense that Mr Alimov would need to contact Mr Satybaldy through me – if he had received an invitation for dinner, that must have come from somewhere, and he could have gone back to tell whoever invited him that he could not make it. I had had nothing to do with the invitation and did not know about any dinner.
- e. Kairat Satybaldy and Yermek Alimov were next door neighbours, meaning he easily could tell Mr Satybaldy himself that would not come to the dinner.
- f. If this matter were to go to trial, I would want to check this entire story with Mr Satybaldy and see what evidence he (or other family members) could give about it.

77. At paragraph 144 of Alimov 1, Mr Alimov says that a share of the Titan Project and the Bitcoins it generated were promised to him by Mr Mirakhmedov, Mr Kim and me. That is false. I made no such promise to Mr Alimov, and I am not aware that either Mr Mirakhmedov or Mr Kim made any such promise.

The Kardok project

78. Mr Alimov claims at paragraphs 146 to 149 of Alimov 1 that he was also involved in the Kardok Project. As I said in paragraph 44 of Makhat 1, and I repeat, Mr Alimov had no involvement in the Kardok Project. What Mr Alimov says at paragraph 174 of Alimov 1, that he found an industrial site in the vicinity of ABK and Stal and recommended this site to Mr Mirakhmedov, Mr Kim and me, is not true.

79. The site was owned at the time by Al Saqr Finance (a Kazakh company). My representative, Nurzhan Mukhamedrakhimov, liaised directly with representatives of Al Saqr Finance. As far as I recall, negotiations were conducted between our legal representatives in Kazakhstan and the legal representatives of Al Saqr Finance. I was never introduced to the owner of the company, nor do I recall negotiating directly with the owner.

80. Mr Alimov also claims in paragraph 146 of Alimov 1 that he participated in an inspection trip to the ABK Project with me and Mr Kim in February 2018. I do not recall this trip, but I am confident that Mr Alimov did not come with me if occurred.
81. Mr Alimov also alleges that Mr Mirakhmedov, Mr Kim and I asked him to transfer 10 hectares of land owned by KKS Karagandy to set up a new Bitcoin mining facility. That is also false, and in any case, it makes little sense to me. I was aware at the time that 100 MW of capacity required less than 1 hectare of land. The requirements for this project could not have been more than 30-50MW, so the 10-hectare land plot which Mr Alimov alleges that he had would never have been needed or asked for.
82. Mr Alimov further alleges at paragraph 148 of Alimov 1 that for his work on the Kardok Project, he was promised a share of the Kardok Project and the Bitcoin which would be generated by it. This is, again, entirely untrue. I definitely never had any discussions with Mr Alimov in relation to this, and I am not aware of Mr Mirakhmedov or Mr Kim ever discussing or promising Mr Alimov anything in relation to the Kardok Project.
83. As far as I am aware, all of the individuals involved in the transaction to acquire the Kardok site, including Mr Mukhamedrakhimov and representatives of Al Saqr Finance, are based in Kazakhstan, speak Kazakh and Russian, and all related documents were in Russian. I would want to get evidence on how the Kardok Project came about and progressed (and Mr Alimov's lack of involvement) from these people and documents if the case goes to trial.

F. Temirshi and Mr Alimov's purported ownership of Stal and ABK

84. Mr Alimov claims that he was the ultimate beneficial owner of Stal, the Vtorprom Factory and ABK, which he held via corporate vehicles (originally Temirshi and later KKS Karagandy).
85. However, a letter from the government organisation responsible for the registration and administration of legal entities in Kazakhstan [RM2/4-10] shows that on 10 June 2017 neither Mr Alimov nor KKS Karagandy were listed as shareholders of Temirshi. It appears that KKS Karagandy only became a minority shareholder of Temirshi on 24 January 2018 [RM2/9] (when Stal and ABK had already been sold to Prima) and acquired a majority stake on 13 April 2018 [RM2/182-185]. While Mr Aydyn Alimov appears to have been appointed as a manager of Temirshi in 2014, he ceased to hold this position on 15 May 2015. I also note that a judgment of the Specialised Interdistrict Economic Court of Karaganda dated 5 May 2018 relating to Temirshi appears to show

that a Ms Tatyana Tuidina purchased an 84% shareholding in Temirshi in stages in 2017 and 2018 [RM2/211].

86. I would need to investigate these matters much more thoroughly, including by contacting the previous shareholders, were this matter to go to trial.

87. Before Prima acquired the assets in January 2018, my lawyers conducted legal due diligence on Stal and ABK and during that process it became apparent that Mr Alimov was not identified as the owner of KKS Karagandy [RM2/229-237].

G. The criminal proceedings involving Mr Abzhan

88. At paragraph 168, Mr Alimov says that Mr Abzhan did not attempt to extract money from me but did what he did (i.e. try to get money from me and publish false stories about me) because “*he opposed the current regime in Kazakhstan*”. I do not agree with this, nor do I believe it makes any sense. As I believe the judgment against him makes clear, Mr Abzhan tried to extort money from me and published false stories about me. I filed an official complaint in respect of Mr Abzhan's crimes, his actions were then investigated and he was tried and later convicted (see [RM1/56-85]). I do not see that as having anything to do with politics, nor am I aware of Mr Abzhan's political opinions.

89. Beyond filing a complaint against Mr Abzhan only (i.e. not Mr Alimov), I deny that I used any influence to ensure that a prosecution was brought as alleged at paragraph 169 of Alimov 1, or that proceedings were brought against Mr Alimov as appears to be alleged at paragraph 181. I would not have had the ability to exert any influence even if I had tried to do so, which I did not.

90. I understand that Mr Abzhan and Mr Alimov sought to appeal the criminal judgment, and that their appeal was dismissed on 24 March 2023. Without waiving privilege, I understand from my Kazakh lawyers that as the victim of the case, I have the right to receive copies of the verdict and decisions of the first, appellate, and cassation courts. Accordingly, I instructed my lawyers to obtain (and they did obtain) a copy of the appeal judgment. I have seen that the appeal judgment (along with a translation) is exhibited to Nouroozi 2 [KNS2/6-42].

H. Alleged Threats to Mr Alimov and his witnesses

91. In section E of Alimov 1, Mr Alimov makes a number of allegations relating to threats he claims were made against him, his witnesses, and potential witnesses. Mr Alimov

(and Mr Naurzaliev) specifically allege that I threatened Mr Naurzaliev through intermediaries.

92. I reject these allegations in the strongest possible terms. I have not threatened Mr Alimov, Mr Naurzaliev, any other witness or potential witness, nor have I caused any threats to be made to such persons, nor would I ever do so. I find these allegations, as with others Mr Alimov has made against me, highly offensive. The first time I heard of these (alleged) threats was via Alimov 1 and Mr Alimov's other witness evidence.
93. I would want to investigate these matters thoroughly if they are pursued in order to rebut Mr Alimov's allegations and insinuations.
94. Mr A Alimov also alleges in his witness statement (at paragraphs 43 to 47) that criminal proceedings against him in Kazakhstan were instigated by myself, Mr Mirakhmedov and Mr Kim through alleged "*connections*" with "*the authorities*". Again, I have nothing to do with the criminal proceedings against Mr A Alimov, nor am I aware what they relate to, or when they began. I had never had, let alone used, any sort of influence to bring about proceedings against Mr A Alimov. The first time I became aware of the criminal proceedings was when reading Mr A Alimov's witness statement. I also have no knowledge of, and nothing to do with, the conduct of the investigations into Mr A Alimov.
95. Mr Alimov also alleges at paragraph 182 of Alimov 1 that Mr Mirakhmedov, Mr Kim and I are responsible for a website which has allegedly been created called '*yermekalimov.com – Yermek Alimov Corruption Stories*'. This is false. I have nothing to do with that website, nor do I believe have Mr Mirakhmedov or Mr Kim. I have no idea who is behind the website, or any of the other things that Mr Alimov mentions (if they happened). However, I note that Mr Alimov has previously suggested that Mr Abzhan might publish negative information about him in order to "*distract attention*" and suspicions away from himself [RM2/238-242] (another communication I gained access to because of my status as a victim). I do not know if he is trying to use a similar strategy an attempt to gain some sort of advantage in this case, but I consider it a realistic possibility.
96. I also note from the transcript of the call between Mr Alimov and Ms Kaplunovskaya that Mr Alimov told her that I told him that there were "ways to get" him (see Exhibit YA1 page 269) and that I had a list of his witnesses (see Exhibit YA1 page 270). I

entirely reject these allegations. I have never said this to Mr Alimov, nor do I have a list of his witnesses.

97. I am also aware that Mr Alimov's lawyers have raised in correspondence the fact of a fire that occurred at Ms Kaplunovskaya's house. They have described the fire as "arson" and have insinuated that I was somehow involved. I want to make absolutely clear that I had nothing to do with this episode, which I understand was not "arson" in any case. I had no idea that there had been a fire until Mr Alimov's lawyers' correspondence about it was brought to my attention. In addition, any suggestion that I (or Mr Kim or Mr Mirakhmedov) was involved in the fire would make no sense. Without waiving privilege, the fire appears to have happened at a time when Ms Kaplunovskaya was cooperating with me, and providing evidence that I believe contradicts Mr Alimov's position.

I. Purported Service of the Claim

98. Paragraph 68(b) of Mr latuha's statement seems to suggest that what I said at paragraph 24 (b)(i) of Makhat 1, namely that the email address 'makhat2002@hotmail.com' had been inactive for the past 15 years, is incorrect, as the purported service emails were delivered to this address, and Mr Alimov has instructed Mr latuha that the email address was used by me "during the time of the joint venture".

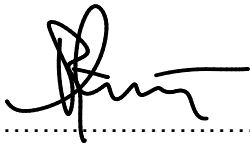
99. For the reasons I have already explained, there was no joint venture involving Mr Alimov. But on the email address, the alleged screenshots provided by Mr latuha (at pages 82-89 of Exhibit M13) only show an email sent by Mr Naurzaliev on 2 May 2023 to 'makhat2002@hotmail.com' and do not show me using this account (e.g. by responding to that email or sending any other emails). Given that the account was inactive for so long, I never received Mr Naurzaliev's email, and I can only assume that it was sent to the account in error, based on outdated information, or perhaps as part of a "test" to set up Mr Alimov's application for alternative service. I repeat that the account has been inactive for 15 years.

100. As for the 'baimangroup24@gmail.com' email address, Mr latuha says at paragraph 68(c) of his statement that "Mr Alimov only knew this email address because it was used by Mr Makhat during the relevant events". But neither Mr Alimov, nor Mr latuha, has provided any documentation to show that I was, as they say, using this email

address. My position remains the same as was set out in Makhat 1 at paragraph 24(b)(ii): I am not familiar with this email address and it does not belong to me.

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.


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RASHIT MAKHAT

Dated: 09.09.2024