



**SAMRUK-ENERGY JSC**

**Condensed Consolidated Interim Financial Statements  
(unaudited)**

**30 September 2021**

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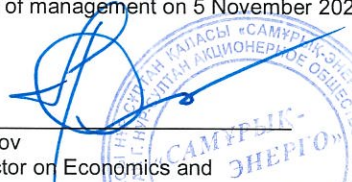
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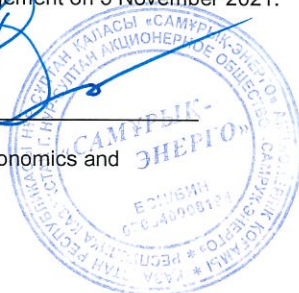
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**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Financial Position (unaudited)**

<i>In thousands of Kazakhstani Tenge</i>	Note	30 September 2021 (unaudited)	31 December 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	709,676,047	731,640,116
Investment property		25,779	247,283
Intangible assets		3,377,797	3,570,398
Right-of-use assets	7	2,835,100	3,137,624
Investments in joint ventures and associates	8	72,135,736	60,611,199
Other non-current assets	9	66,259,315	13,667,103
<b>Total non-currents assets</b>		<b>854,109,774</b>	<b>812,873,723</b>
<b>Current assets</b>			
Inventory	10	11,978,391	11,674,146
Trade and other receivables	11	30,610,684	37,660,312
Other current assets	12	6,916,394	12,308,536
Income tax prepaid		1,533,337	1,294,554
Cash and cash equivalents	13	15,001,727	9,893,878
<b>Total current assets</b>		<b>66,040,533</b>	<b>72,831,426</b>
<b>TOTAL ASSETS</b>		<b>920,150,307</b>	<b>885,705,149</b>

Signed on behalf of management on 5 November 2021.

  
 Aidar K. Ryskulov  
 Managing Director on Economics and Finance



  
 Saule B. Tulekova  
 Head of Accounting and Tax Department  
 – Chief Accountant


The accompanying notes are an integral part of these condensed consolidated interim financial statements

**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Financial Position (unaudited) (continued)**

<i>In thousands of Kazakhstani Tenge</i>	Note	30 September 2021 (unaudited)	31 December 2020
<b>EQUITY</b>			
Share capital	14	376,045,927	376,045,927
Other reserves		125,142,872	125,168,047
Retained earnings		15,261,928	(11,882,206)
<b>Equity attributable to the Group's shareholders</b>		<b>516,450,727</b>	<b>489,331,768</b>
Non-controlling interest		1,466,746	1,243,868
<b>TOTAL EQUITY</b>		<b>517,917,473</b>	<b>490,575,636</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provision for liquidation of ash dumps		2,914,972	3,227,678
Employee benefit obligations		1,603,055	1,508,353
Borrowings	15	233,087,282	208,645,370
Other non-current liabilities	16	2,447,263	3,952,150
Non-current lease liabilities	7	1,452,937	1,696,109
Deferred income tax liabilities		77,828,709	78,743,252
<b>Total non-current liabilities</b>		<b>319,334,218</b>	<b>297,772,912</b>
<b>Current liabilities</b>			
Provision for liquidation of ash dumps		481,160	196,296
Borrowings	15	44,164,491	55,307,806
Employee benefit obligations		147,210	177,689
Trade and other payables	17	28,961,321	35,772,454
Taxes payable and other payables to budget		5,080,530	4,557,802
Current lease liabilities	7	637,932	1,106,004
Income tax payable		3,425,972	238,550
<b>Total current liabilities</b>		<b>82,898,616</b>	<b>97,356,601</b>
<b>TOTAL LIABILITIES</b>		<b>402,232,834</b>	<b>395,129,513</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>920,150,307</b>	<b>885,705,149</b>
<b>Carrying value of an ordinary share, Tenge</b>	<b>28</b>	<b>91,852</b>	<b>86,937</b>

Signed on behalf of management on 5 November 2021.

  
  
 Aidar K. Ryskulov  
 Managing Director on Economics and  
 Finance

  
 Saule B. Tulekova  
 Head of Accounting and Tax Department  
 – Chief Accountant

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**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income (unaudited)**

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>9 months ended 30 September 2021 (unaudited)</b>	<b>9 months ended 30 September 2020 (unaudited)</b>	<b>3 months ended 30 September 2021 (unaudited)</b>	<b>3 months ended 30 September 2020 (unaudited)</b>
Revenue	18	239,115,498	198,054,632	82,762,304	63,285,230
Cost of Sales	19	(175,842,264)	(158,508,354)	(61,939,826)	(55,150,981)
<b>Gross Profit</b>		<b>63,273,234</b>	<b>39,546,278</b>	<b>20,822,478</b>	<b>8,134,249</b>
Selling expenses	20	(6,525,336)	(6,581,088)	(1,934,167)	(1,799,465)
General and administrative expenses	21	(10,266,764)	(11,134,024)	(4,131,046)	(2,786,673)
Share in profit of joint ventures and associates	8	11,596,997	3,945,383	3,626,126	(1,829,615)
Net (loss)/gain on reversal of impairment of financial assets		(780,049)	560,448	(169,136)	438,214
Finance income	22	2,307,861	1,515,708	1,293,991	422,732
Finance costs	23	(22,026,403)	(23,833,466)	(7,071,720)	(8,097,259)
Other income		1,505,437	1,148,783	459,414	129,345
Other expense		(257,461)	(4,014,857)	(208,589)	(396,652)
<b>Profit/(loss) before income tax</b>		<b>38,827,516</b>	<b>1,153,165</b>	<b>12,687,351</b>	<b>(5,785,124)</b>
Income tax expense	24	(8,218,361)	(3,409,923)	(2,592,876)	(150,401)
<b>Profit/(loss) for the period</b>		<b>30,609,155</b>	<b>(2,256,758)</b>	<b>10,094,475</b>	<b>(5,935,525)</b>
Other comprehensive income/(loss) (Items that will not be reclassified to profit or loss)					
Remeasurement of post-employment benefit obligations		(25,175)	(194,287)	(101,762)	129,249
<b>Total comprehensive income/(loss) for the period</b>		<b>30,583,980</b>	<b>(2,451,045)</b>	<b>9,992,713</b>	<b>(5,806,276)</b>
<b>Profit/(loss) attributable to:</b>					
Shareholders of the Group		30,386,277	(2,279,426)	10,014,940	(6,026,521)
Non-controlling interest		222,878	22,668	79,535	90,996
<b>Profit/(loss) for the period</b>		<b>30,609,155</b>	<b>(2,256,758)</b>	<b>10,094,475</b>	<b>(5,935,525)</b>
<b>Total comprehensive income/(loss) attributable to:</b>					
Shareholders of the Group		30,361,102	(2,473,713)	9,913,178	(5,897,272)
Non-controlling interest		222,878	22,668	79,535	90,996
<b>Total comprehensive income/(loss) for the period</b>		<b>30,583,980</b>	<b>(2,451,045)</b>	<b>9,992,713</b>	<b>(5,806,276)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Changes in Equity (unaudited)**

<i>In thousands of Kazakhstani Tenge</i>	Note	Attributable to the shareholders of the Group				Non- controlling interest	Total Equity
		Share capital	Other reserves	Uncovered loss	Total		
Balance at 1 January 2020		373,314,888	127,357,014	(16,823,598)	483,848,304	1,168,066	485,016,370
Profit/(loss) for the period (unaudited)		-	-	(2,279,426)	(2,279,426)	22,668	(2,256,758)
Other comprehensive loss (unaudited)		-	(194,287)	-	(194,287)	-	(194,287)
<b>Total comprehensive income/(loss) (unaudited)</b>		-	<b>(194,287)</b>	<b>(2,279,426)</b>	<b>(2,473,713)</b>	<b>22,668</b>	<b>(2,451,045)</b>
Share issue		2,731,039	(1,500,000)	-	1,231,039	-	1,231,039
Dividends declared		-	-	(3,066,231)	(3,066,231)	-	(3,066,231)
<b>Balance at 30 September 2020 (unaudited)</b>		<b>376,045,927</b>	<b>125,662,727</b>	<b>(22,169,255)</b>	<b>479,539,399</b>	<b>1,190,734</b>	<b>480,730,133</b>
Balance at 1 January 2021		376,045,927	125,168,047	(11,882,206)	489,331,768	1,243,868	490,575,636
Profit for the period (unaudited)		-	-	30,386,277	30,386,277	222,878	30,609,155
Other comprehensive loss (unaudited)		-	(25,175)	-	(25,175)	-	(25,175)
<b>Total comprehensive income/(loss) (unaudited)</b>		-	<b>(25,175)</b>	<b>30,386,277</b>	<b>30,361,102</b>	<b>222,878</b>	<b>30,583,980</b>
Dividends declared	14	-	-	(3,242,143)	(3,242,143)	-	(3,242,143)
<b>Balance at 30 September 2021 (unaudited)</b>		<b>376,045,927</b>	<b>125,142,872</b>	<b>15,261,928</b>	<b>516,450,727</b>	<b>1,466,746</b>	<b>517,917,473</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Cash Flows (unaudited)**

<i>In thousands of Kazakhstani Tenge</i>	Note	9 months ended 30 September 2021 (unaudited)	9 months ended 30 September 2020 (unaudited)
<b>Cash flows from operating activities</b>			
<b>Total cash inflows</b>		<b>269,646,306</b>	<b>216,956,795</b>
Sale of products and goods		161,877,039	141,838,761
Sales of services		14,828,442	13,379,974
Advances received		90,391,296	60,264,459
Dividends and other receivables from joint ventures		72,457	93,599
Other		2,477,072	1,380,002
<b>Total cash outflows</b>		<b>(210,755,533)</b>	<b>(179,775,216)</b>
Payments to suppliers		(121,520,503)	(99,072,660)
Advances paid		(11,720,946)	(12,699,100)
Payment of salary expenses		(26,462,975)	(24,000,273)
Payment of interest on borrowings and financial lease		(18,342,745)	(18,517,203)
Corporate income tax		(6,414,933)	(3,950,420)
Other payments to the budget		(21,714,579)	(18,790,216)
Other		(4,578,852)	(2,745,344)
<b>Net cash generated from operating activities</b>		<b>58,890,773</b>	<b>37,181,579</b>
<b>Cash flows from investing activities</b>			
<b>Total cash inflows</b>		<b>20,208,573</b>	<b>10,910,835</b>
Proceeds from sale of fixed assets and intangible assets		10,005	16,695
Proceeds from the sale of subsidiaries		-	2,202,302
Proceeds from the sale of debt instruments		192,300	192,300
Return of bank deposits		19,004,838	7,416,363
Interests received from obligations and deposits		825,840	644,351
Other		175,590	438,824
<b>Total cash outflows</b>		<b>(78,726,683)</b>	<b>(39,512,585)</b>
Purchase of property, plant, and equipment		(59,360,530)	(32,452,439)
Purchase of intangible assets		(275,960)	(119,351)
Placement of bank deposits		(19,090,193)	(6,940,795)
<b>Net cash (used) in investing activities</b>		<b>(58,518,110)</b>	<b>(28,601,750)</b>

The accompanying notes are an integral part of these condensed consolidated interim financial statements

**SAMRUK-ENERGY JSC**  
**Condensed Consolidated Interim Statement of Cash Flows (unaudited) (continued)**

<i>In thousands of Kazakhstani Tenge</i>	Note	9 months ended 30 September 2021 (unaudited)	9 months ended 30 September 2020 (unaudited)
<b>Cash flows from financing activities</b>			
<b>Total cash inflows</b>		<b>105,786,784</b>	<b>67,910,929</b>
Proceeds from short-term loans received		105,725,916	63,045,795
Proceeds from long-term loans received		60,868	4,865,134
<b>Total cash outflows</b>		<b>(100,992,484)</b>	<b>(76,757,564)</b>
Payment of principal on short-term loans received		(74,458,972)	(56,734,693)
Payment of principal on long-term loans received		(22,654,432)	(16,073,975)
Payment of principal on lease liabilities		(567,111)	(632,364)
Dividends paid to the Shareholder of the parent company		(3,242,143)	(3,066,231)
Dividends paid to non-controlling owners		(69,826)	(219,744)
Other payments		-	(30,557)
<b>Net cash generated/(used) in financing activities</b>		<b>4,794,300</b>	<b>(8,846,635)</b>
Foreign exchange difference effect on cash		(57,869)	532,653
Provision for impairment of cash		(1,245)	3,514
<b>Net increase in cash</b>		<b>5,107,849</b>	<b>269,361</b>
<b>Cash at the beginning of the year:</b>	13	<b>9,893,878</b>	<b>12,007,037</b>
<b>Cash at the end of reporting period:</b>	13	<b>15,001,727</b>	<b>12,276,398</b>

The cash flow statement for 9 months ended 30 September 2021, as well as previous period, was generated using direct method.



## **1 Samruk-Energy Group and its Operations**

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, "Interim financial reporting" for nine months ended 30 September 2021 for Samruk-Energy JSC (the "Company") and its subsidiaries (together referred to as the "Group").

The Company was incorporated on 18 April 2007 and registered on 10 May 2007. The Company is a joint stock company and was set up in accordance with regulations of the Republic of Kazakhstan. The Group was established for the purpose of consolidation of entities in electric power industry of the Republic of Kazakhstan (the "RoK").

As of 30 September 2021, the Company's shareholder is Samruk-Kazyna National Welfare Fund JSC ("Samruk-Kazyna"). The Company's ultimate controlling party is the Government of the RoK.

### **Principal activity**

The Group's principal activities are production of electricity, heating energy, hot water on the basis of coal, hydrocarbons and water resources, and renewable energy sources ('RES'), and sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, as well as leasing of property of hydro power plants.

The operations of the Group's subsidiaries and joint ventures are regulated by the Law of the Republic of Kazakhstan *On Electric Power Industry*, the Law *On Natural Monopolies and Regulated Markets*, the Law *On Support of the Use of Renewable Energy Sources*, and the Commercial Code of the RoK. Tariffs, based on the type of activities of a company, are regulated by the Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of the Republic of Kazakhstan ("Committee") or by the relevant ministry – Ministry of Energy of the Republic of Kazakhstan ("ME").

Electricity tariffs for energy producers are approved by order of the Minister of Energy of the Republic of Kazakhstan No.160 *On Approval of Cap Tariffs for Electricity for a Group of Energy Producing Organizations* dated 27 February 2015 and subsequent amendments to it. Tariffs for supply of electricity produced by renewable energy sources are fixed and approved by the Decree of the Government of the Republic of Kazakhstan dated 12 June 2014 No.645 *On Approval of Fixed Tariffs*, according to the Renewable Energy technology used (separately for wind, solar and other sources), and are subject to annual indexation. In addition, the financial centre acts as a buyer, and the power producer acts as a seller. Tariffs for electric power transmission and distribution for energy transmission companies, heating energy production and power supply ("PSE") are regulated by the Committee. Regulation and control by the Committee are performed strictly in accordance with the legislation and regulations of the Republic of Kazakhstan.

The tariff related decisions are significantly exposed to social and political issues. Economic, social and other policies of the Government of the Republic of Kazakhstan may have the significant effect on the Group's operations.

### **Registered address and place of business**

The registered address and place of Company's Head Office is: Block B, 15A Kabanbay Batyr Avenue, Nur-Sultan, Republic of Kazakhstan.

### **Operating environment**

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. Its economy is particularly sensitive to fluctuations in prices on oil and gas prices and other commodities, which constitute a major part of the country's export. These characteristics include, but are not limited to, the existence of national currency that is not freely convertible outside of the country and a low level of liquidity of the securities market.

The volatility of exchange rate causes and may continue to cause a negative impact on the economy of the Republic of Kazakhstan, including decrease in liquidity and creation of difficulties in attracting of international financing. As of 30 September 2021, the official exchange rate used to translate balances in foreign currency was Tenge 425.70 for 1 US dollar (31 December 2020: Tenge 420.91 for 1 US dollar).

Management is confident that it is taking necessary measures to ensure sustainability and growth of the Group's operations in current circumstances. Future economic situation and regulatory base may differ from current management expectations.

## **1 Samruk-Energy Group and its Operations (Continued)**

### **COVID-19**

Samruk-Energy JSC have taken all the necessary measures aimed at the prevention of the spread of coronavirus infection among the employee of the Group. The following measures have been taken:

- compliance with the enhanced sanitary and disinfection regime at the Group's enterprises.
- communication was organized regarding the need for vaccination against coronavirus infection.

The work performed helped to ensure the uninterrupted operation and maintain production capacity. As of the date of these condensed consolidated interim financial statements, situation related to COVID-19 is still evolving, with no significant effect on the Group's revenue and deliveries to date. The Group fulfilled its obligations during the reporting period.

## **2 Basis of Preparation and Significant Accounting Policies**

### **Basis of preparation**

These condensed consolidated interim financial statements for the six-month period ended 30 September 2021 have been prepared in accordance with IAS 34, *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all notes that are normally included in the annual financial statements. Therefore, these condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2020, which have been prepared in accordance with IFRS. The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those of the previous financial year except for accounting for income taxes.

Income tax expenses for the interim period are accrued using the calculated effective tax rate that would be applicable for the financial year.

### **Seasonality of operations**

The Group's operations are exposed to the seasonal fluctuations. Fluctuations in electricity transmission volume, production of heat and electricity relate to the heating season lasting from October to April.

Also, the Group's repair and maintenance works might be subject to seasonality. Significant amount of maintenance and repair work are expected to be carried out in the second half of 2021 that will significantly increase the Group's expenses, downtime of power units and low levels of electricity production.

### **Exchange rates**

As of 30 September 2021, the official exchange rate used to translate balances in foreign currency was Tenge 425.70 for 1 US dollar (31 December 2020: Tenge 420.91 for 1 US dollar).

### **Going Concern**

Management has prepared these condensed interim consolidated financial statements on a going concern basis. Management's decision is based on the financial position of the Group, its current intentions, profitability of operations and access to financial resources and government support. As of 30 September 2021, the Group's current liabilities exceeded its current assets by Tenge 16,858,083 thousand.

The following factors were considered in assessing the Group's ability to continue as a going concern for the foreseeable future:

- The Group is strategically important to ensure the reliability of the power system in Kazakhstan. The management and shareholders of the Group have neither the intention nor the need to liquidate the Group.
- The Group's current liabilities of Tenge 5,841,514 thousand represent payable to the Akimat of Almaty city and, by settlement agreement, do not require cash outflows.
- As of 30 September 2021, the Group of Companies has available funds within the framework of revolving credit lines from Halyk Bank of Kazakhstan JSC in the total amount of Tenge 69.6 billion, from SB JSC "Sberbank of Russia" for the total amount of Tenge 14 billion, from SB JSC "VTB Bank" (Kazakhstan) for the total amount of Tenge 6 billion, and from JSC "First Heartland Jusan Bank" for the total amount of Tenge 1 billion.
- In the fourth quarter of 2021, the Group expects positive cash flows from operating activities in the amount of not less than Tenge 35,764,629 thousand.

## **2 Basis of Preparation and Significant Accounting Policies (continued)**

These condensed consolidated interim financial statements do not include any adjustments to the carrying amounts of assets and liabilities, income and expenses, or the classification of the condensed consolidated interim statement of financial position, which would be necessary in the event of an inability to continue operating, such adjustments could be material.

## **3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies**

While preparing the condensed consolidated interim financial statements, the Group uses estimates and makes assumptions that affect the accounting policies applied and reported assets and liabilities, income and expenses. Actual results may differ from these estimates.

Applied key accounting estimates and professional judgments are consistent with those accounting estimates and professional judgments applied in the preparation of the annual financial statements for the year ended 31 December 2020, except for the calculation of income tax provisions and adoption of new and amended standards.

### ***Impairment of non-financial assets***

At each reporting date management assesses whether there is any indication of impairment of individual assets or groups of assets, and whether there is any indication that an impairment loss recognised in prior periods for assets or groups of assets other than goodwill may no longer exist or may have decreased. If such indications exist, management estimates the recoverable amount of an asset, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The calculation of value in use requires the application of the management's estimates and judgments, which are deemed appropriate under the current circumstances.

Assessment of impairment indicators for non-financial assets also requires the use of judgments and estimates in determining possible technological obsolescence of fixed assets, discontinuing operations, residual useful lives, and other changes in operating conditions.

Under IAS 36, one of the possible impairment indicators is the presence of significant changes that had negative consequences for the Group that occurred during the year or are expected in the near future in the technological, market, economic or legal environment in which the Group operates or in the market for which the asset is used.

In assessing the recoverable amount of assets, the Group makes estimates and judgments. Estimates and judgments are repeatedly evaluated and based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgments, apart from those involving estimations, in the process of applying the accounting policies.

Actions aimed at containment of COVID-19 significantly restrict economic activity in Kazakhstan, as well as they have and may continue to have a negative impact on businesses and Group's clients, as well as Kazakhstan and world economy for an uncertain time period. Therefore, future cash flows may be decreased and operating and other expenses may be increased, causing impact on the nature of electricity tariff regulation by the Government to support economy.

As of 30 June 2021, the Group's management performed the analysis of the impairment indicators of property, plant and equipment of subsidiaries such as Ekibastuz GRES-1 named after Bulat Nurzhanov LLP (hereinafter referred to as EGRES-1), Alatau Zharyk Company JSC ("AZhC"), Almaty Power Stations JSC ("AIES"), Tegis Munay LLP ("TM") and the joint venture JSC "Station Ekibastuzskaya GRES-2" (hereinafter "SEGRES-2") in accordance with IAS 36 "Impairment of Assets".

The principal facts and assumptions used in the analysis of the impairment indicators are:

- lack of negative changes in the economic efficiency of subsidiaries for the reporting period;
- changes in interest rates on loans and long-term inflation rate are not significant;
- lack of significant changes having adverse consequences for subsidiaries, which occurred during the period or may presumably occur in the nearest future;
- the forecasted mid-term growth of demand for electricity in northern and southern areas of the Republic of Kazakhstan

### **3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)**

- increase in cap tariffs for electricity for energy producing organizations (“EPOs”) from the 1<sup>st</sup> of April 2021 according to the Order of the Minister of Energy of the RoK No.108 dated 30 March 2021 considering profitability rate within Methodology for determining the rate of return for all Group’s EPO;
- positive changes in legislation in the area of power energy in terms of introduction from the 1<sup>st</sup> of July 2021 of the mechanism of “through” markup to support the use of renewable energy sources (“RES”), which covers the costs of EPOs for the purchase of RES electricity;
- positive forecast for Brent oil prices for a five-year period according to the data of international analytical agencies.

Additional facts and assumptions used in the analysis of the impairment indicators on EGRES-1:

- Overachievement of target on main operational and financial performance indicators as of 31 May 2021;
- The forecasted mid-term growth of demand for electricity in northern and southern areas of the Republic of Kazakhstan, as well as forecasted increase in electricity sales volumes due to work in seven-block mode and available capacity;
- Execution of an investment agreement with the Ministry of Energy of RK and setting an individual tariff for services on maintenance of electrical capacity from 2025 to ensure return of borrowings raised to complete the implementation of the investment project “Restoration of Power Unit 1 with the installation of new electrostatic precipitators”;
- Significant increase in the electricity selling tariff – from Tenge 5.80 per 1 kWh to Tenge 7.25 per 1 kWh from the 1<sup>st</sup> of April 2021 and increase to Tenge 7.47 per 1 kWh from the 1<sup>st</sup> of July 2021.

Additional facts and assumptions used in the analysis of the impairment indicators on SEGRES-2:

- Overachievement of target on main operational and financial performance indicators as of 31 May 2021;
- The forecasted mid-term growth of demand for electricity in northern and southern areas of the Republic of Kazakhstan, as well as forecasted increase in electricity sales volumes due to the commissioning of power unit No.3 from 2026;
- Significant increase in the electricity selling tariff – from Tenge 9.13 per 1 kWh to Tenge 9.69 per 1 kWh from the 1<sup>st</sup> of April 2021 and increase to Tenge 10.16 per 1 kWh from the 1<sup>st</sup> of July 2021.

Based on the analysis performed with respect to internal and external impairment indicators, the Group’s management concluded that there are no impairment indicators as of the analysis date. Therefore, the Group’s management decided not to perform the impairment test of property, plant and equipment and intangible assets of these subsidiaries and the joint venture SEGRES-2 at 31 May 2021. As of 30 September 2021, management believes that there were no events that could cause a negative impact on the results of analysis performed.

#### *Modernisation of Almaty CHP-2 with the minimization of the environmental impact*

For the execution of the instructions of the President of RK on taking actions to minimize emissions to the atmosphere, the Group is developing feasibility study (“FS”). At the first stage of the project, four modernization options for CHP-2 with the minimization of the environmental impact have been considered: transition of the existing boilers to gas flaring, reconstruction of the existing boilers with the installation of gas-handling equipment, extension of CHP-2 with the construction of CCGT plants and installation of additional gas-handling equipment without transition to natural gas and construction of a new gas-based plant.

In 2020, as a result of comparison of the implementation cost and environmental emissions, the first option of the reconstruction of existing boilers with their transition to gas flaring has been selected. In 2021, a negative report was received from “Gosexpertise” RSE on this option.

On 31 May 2021, the Government of RK headed by the Prime-Minister, Mamin A.U., approved proposal on construction of combined cycle gas turbine unit of the capacity of 600 MW (hereinafter – the “CCGT plant”) at the site of Almaty CHP-2. Deadline for the adjustment of project’s FS with the receipt of report on comprehensive extradepartmental expertise is set by the end of 2021.

The Prime-Minister has also put “Samruk-Energy” JSC jointly with the Ministry of Energy, under the established procedure, in charge of continuing the work on raising bank borrowings to finance the project of construction of CCGT plant at the site of Almaty CHP-2 with transition to gas, including provision of gas infrastructure.

### **3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)**

Taking into account the environmental situation and the current restrictions on the legislation on the electric power market, the deputies of the Mazhilis of Parliament on 14 September 2021 initiated amendments to the Laws of the Republic of Kazakhstan "On Electricity" and "On Natural Monopolies", which considers mechanism of return on investments for an implementation of projects of modernization, reconstruction and (or) expansion of generating plants using gas as an alternative type of fuel. Currently, the amendments initiated by the deputies of the Mazhilis of the Parliament are under consideration by the Government for preparation of a conclusion, which is planned to be sent to the Mazhilis of the Parliament of the Republic of Kazakhstan in November 2021.

Making amendments to legislation will ensure for the Group the return of borrowings and return on investments in future using the mechanism of electrical power market.

Based on the abovementioned, currently there is no a detailed project implementation plan and no defined financing sources, as well as changes in the legislative base due to the lack of FS with a positive state expertise report.

Also, we note that in the event of the construction of the CCGT plant, more than 50 percent of the property, plant and equipment of CHP-2 will remain in operation, and the rest of the property, plant and equipment, such as the technological equipment of the boiler, turbine and fuel-transport shops will be in reserve in case of gas supply interruptions or termination of the CCGT plant operation due to long-term repairs. The costs of maintaining the existing assets of CHP-2 will be charged to current costs and reimbursed through the electricity tariff.

As of 30 September 2021, the carrying amount of CHP-2 is approximately Tenge 50 billion.

Based on the analysis performed, the Group's management concluded that there are no impairment indicators of property, plant and equipment as of the analysis date. As of 30 September 2021, management believes that there were no events that could cause a negative impact on the results of analysis performed.

#### *Gas production commencement terms – Tegis Munai*

It is forecasted that natural gas production will commence in 2024, and it is assumed that 65% of gas production will be exported starting from 2024. The gas production commencement is postponed because the contract territory is included in the territory of South-Kazakhstan state conservation area, where it is prohibited to perform field facilities construction and development prior to territory separation from the protected areas. Currently, the authorized public bodies perform work on expansion of protected area borders considering the separation of the contract territory.

Therefore, Tegis Munai contacted the Ministry of Energy of RK ("ME RK") with the question of the relevance of production period commencement extension, field facilities construction for gas production, postponement of deadline for the implementation of working program and contract's validity period since the issue of contract territory separation is not settled yet.

In September 2020, the subsurface use expert commission of ME RK decided to postpone the following commitments on financing of education; R&D; social and economic development of the region, and an abandonment was given in terms of working program amendment on investment liabilities under subsurface use contract, based on which an additional agreement No.1 to the contract was signed on 28 December 2020.

On 3 December 2020, Tegis Munai has sent an application to the supreme court of RK on invalidation of the ME RK abandonment in terms of working program amendment on investment liabilities under subsurface use contract. On 30 December 2020, Tegis Munai received force-majeure certificate from the Chamber of Commerce of Kazakhstan LLP comprising Atameken NCE confirming that Tegis Munai is not able to perform subsurface use contract commitments prior to the contract territory separation from the protected areas and is not able to perform subsurface use operations. Force-majeure circumstances are in force until the contract territory separation from the protected areas.

In January 2021 an application has been filed to the ME RK with the attachment of the abovementioned certificate on invalidation of force-majeure circumstances. In June 2021, according to the results of expert commission the ME dismissed an issue on recognition of force-majeure circumstances since this issue does not relate to the competency of the Ministry of Energy.

Due to the non-performance of working program liabilities for 2021, Tegis Munai is expected to be imposed with a penalty of Tenge 466.5 million. However, Tegis Munai's management believes that the risk of payment penalty is possible, since non-performance of working program is due to the force-majeure circumstances and does not depend on Tegis Munai actions.

As of 30 September 2021, management believes that there were no events that could cause a negative impact on the results of analysis performed.

### **3 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)**

#### ***Balkhash Thermal Power Plant***

On 29 October 2019, the Company acquired 50% + 1 share of BTPP from Samsung C&T and became the owner of 100% interest in BTPP. As of the acquisition date, BTPP was on the brink of bankruptcy and did not actually perform any significant activities. Since 2017, creditors and suppliers have repeatedly sued due to the insolvency of BTPP, which in turn led to the seizure of property, and also significantly limited the activities of BTPP.

Due to the enactment of quarantine measures and actions taken by state to support national economy, according to the Decree of the Government of the Republic of Kazakhstan dated 14 July 2020 No.443 it was ordered to suspend until 1 October 2020 the bringing before the court by creditors represented by public authorities and quasi-public sector entities of bankruptcy petitions with respect to legal entities and individual entrepreneurs, hence BTPP bankruptcy procedure has been temporarily suspended.

At present, BTPP, together with the Company, has developed a plan for voluntary liquidation BTPP, according to which, in order to comply with the necessary corporate procedures prescribed the charter of BTPP and of the Company, the issue of voluntary liquidation (bankruptcy) requires consideration and adoption of decisions by the authorized body of the Company. Consideration of the issue of voluntary liquidation (bankruptcy) BTPP is scheduled for December 2021. Thus, according to the management, as of 30 September 2021 the Group does not have control and investments in BTPP are impaired in full.

#### ***Payable to the Akimat***

In 2009, Alatau Zharyk Company JSC ("AZhC") was involved in litigation with the Akimat of Almaty city ("Akimat") related to the settlement of AZhC payables to Akimat. On 14 February 2014, AZhC and Akimat signed an amicable agreement for the settlement of AZhC liabilities. To settle the liabilities, among other procedures, AZhC shall accept power lines, being in the communal ownership and under trust management of the Akimat. The amount of liabilities of the AZhC to Akimat, after deduction of all payments made during the previous years as part of a settlement, as of 30 September 2021 is Tenge 5,841,514 thousand (31 December 2020: Tenge 5,841,514 thousand). As of 30 September 2021, the transfer of ownership over power lines has not been completed. The Group will derecognise this liability when it is exempted from payments, i.e. at the time of the implementation of all actions by the parties to the amicable agreement, particularly at the time of the assuming the ownership over power lines from the Akimat. At the same time, the Group will recognise a gain from write-off of the liability in the amount of Tenge 5,841,514 thousand.

### **4 Segment Information**

Operating segments are components that engage in business activities that may earn revenues or incur expenses, segment operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The functions of the CODM are performed by the management board of the Group.

Segment financial information analysed by CODM includes information about revenue and profit before tax. CODM also monitors the EBITDA of the Group, which is calculated as profit/(loss) for the period before accounting for finance income and finance expense, income tax expenses, depreciation of property, plant and equipment and amortisation of intangible assets, impairment of property plant and equipment and investment property, impairment of goodwill, share of profit/(loss) of associates and joint ventures and other similar effects. Sequence for EBITDA identification across the Group might be different from the sequence used by other companies.

#### ***(a) Description of products and services from which each reportable segment derives its revenue***

The Group is organised on the basis of three main business segments:

- Production of electric and heating energy.
- Transmission and distribution of electricity.
- Sale of electricity.

#### ***(b) Performance of operating segments***

The CODM evaluates performance of each segment based on a measure of revenue and pre-tax profit.

## 4 Segment Information (Continued)

	Production of electric and heating energy		Electricity transmission and distribution		Sale of electricity		Other		Total	
	9 months ended		9 months ended		9 months ended		9 months ended		9 months ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020	30 September 2021	30 September 2020	30 September 2021	30 September 2020	30 September 2021	30 September 2020
<i>In thousands of Kazakhstani Tenge</i>	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Total segment revenue – Sales of electricity	155,568,022	117,909,220	-	-	89,871,571	75,596,218	-	-	245,439,593	193,505,438
Inter-segment revenue	(53,674,542)	(41,883,680)	-	-	(603)	(446)	-	-	(53,675,145)	(41,884,126)
<b>External revenue – Sales of electricity</b>	<b>101,893,480</b>	<b>76,025,540</b>	-	-	<b>89,870,968</b>	<b>75,595,772</b>	-	-	<b>191,764,448</b>	<b>151,621,312</b>
<b>Sales of heating energy</b>	<b>11,724,539</b>	<b>11,112,035</b>	-	-	-	-	-	-	<b>11,724,539</b>	<b>11,112,035</b>
<b>Revenue from the service on maintaining power capacity</b>	<b>24,065,094</b>	<b>23,590,179</b>	-	-	-	-	-	-	<b>24,065,094</b>	<b>23,590,179</b>
<b>Rental income from renewable energy sources</b>	<b>3,600,215</b>	<b>3,760,455</b>	-	-	-	-	-	-	<b>3,600,215</b>	<b>3,760,455</b>
Total segment revenue – Transmission of electricity	-	-	33,582,827	29,175,110	-	-	-	-	33,582,827	29,175,110
Inter-segment revenue	-	-	(30,157,800)	(26,252,251)	-	-	-	-	(30,157,800)	(26,252,251)
<b>External revenue – Transmission of electricity</b>	-	-	<b>3,425,027</b>	<b>2,922,859</b>	-	-	-	-	<b>3,425,027</b>	<b>2,922,859</b>
<b>Rental income from investment property</b>	-	-	-	-	-	-	<b>2,935,892</b>	<b>3,058,563</b>	<b>2,935,892</b>	<b>3,058,563</b>
<b>Sales of chemically purified water</b>	<b>1,327,707</b>	<b>1,192,741</b>	-	-	-	-	-	-	<b>1,327,707</b>	<b>1,192,741</b>
Total other	1,474,721	796,488	-	-	-	-	781,571	891,409	2,256,292	1,687,897
Inter-segment revenue – other	(1,202,145)	-	-	-	-	-	(781,571)	(622,643)	(1,983,716)	(622,643)
<b>External revenue – other</b>	<b>272,576</b>	<b>796,488</b>	-	-	-	-	-	-	<b>272,576</b>	<b>796,488</b>
<b>Total external revenue</b>	<b>142,883,611</b>	<b>116,477,438</b>	<b>3,425,027</b>	<b>2,922,859</b>	<b>89,870,968</b>	<b>75,595,772</b>	<b>2,935,892</b>	<b>3,058,563</b>	<b>239,115,498</b>	<b>198,054,632</b>

**4 Segment Information (Continued)**

	Production of electricity and heating energy		Electricity transmission and distribution		Sale of electricity		Other		Inter-segment operations		Total	
	30	30	30	30	30	30	30	30	30	30	30	30
	September 2021	September 2020	September 2021	September 2020	September 2021	September 2020	September 2021	September 2020	September 2021	September 2020	September 2021	September 2020
<i>In thousands of Kazakhstani Tenge</i>	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Cost of sales	(140,931,488)	(81,355,216)	(26,680,289)	(23,949,239)	(92,090,990)	(79,295,121)	(458,327)	(613,048)	84,318,830	26,704,270	(175,842,264)	(158,508,354)
- Less depreciation and amortisation	34,684,251	36,622,707	6,061,050	5,859,766	190,716	125,927	518,813	108,621	-	-	41,454,830	42,717,021
Selling expense	(6,525,336)	(6,581,088)	-	-	-	-	-	-	-	-	(6,525,336)	(6,581,088)
Finance costs	(10,961,424)	(12,360,782)	(945,702)	(1,176,420)	(210,036)	(246,906)	(16,974,972)	(17,761,388)	7,065,731	7,712,030	(22,026,403)	(23,833,466)
- Less interest expense	5,906,978	7,912,272	440,798	201,988	176,835	682,800	9,970,197	9,585,389	(470,992)	(473,456)	16,023,816	17,908,993
Finance income	3,027,378	4,058,571	86,810	34,918	57,155	44,564	6,546,445	6,097,758	(7,409,927)	(8,720,103)	2,307,861	1,515,708
Share of profit of joint ventures and associates and investment impairment	-	-	-	-	-	-	11,596,997	3,945,383	-	-	11,596,997	3,945,383
Reversal/(charge) of impairment of non-financial assets	30,048	8,690	-	-	-	-	-	(3,146,000)	-	-	30,048	(3,137,310)
Capital expenditure	(55,199,666)	(21,438,788)	(4,032,386)	(10,801,915)	(73,346)	(28,952)	(55,133)	(182,785)	-	-	(59,360,531)	(32,452,440)
Reportable segment assets	710,522,531	692,409,439	138,865,986	134,736,975	14,956,159	12,537,466	146,757,241	645,768,150	(90,951,610)	(609,073,200)	920,150,307	876,378,830
Reportable segment liabilities	255,622,128	246,202,451	37,151,086	40,360,785	23,285,431	17,823,086	185,655,486	200,238,317	(99,481,297)	(108,975,942)	402,232,834	395,648,697



#### 4 Segment Information (Continued)

(c) Reconciliation of total adjusted EBITDA to total profit before income tax is provided as follows

<i>In thousands of Kazakhstani Tenge</i>	9 months, ended 30 September 2021 (unaudited)	9 months, ended 30 September 2020 (unaudited)
<b>Adjusted EBITDA for the period</b>	<b>88,373,843</b>	<b>65,379,871</b>
Depreciation and amortisation	(41,454,830)	(42,717,021)
Finance income	2,307,861	1,515,708
Finance costs	(22,026,403)	(23,833,466)
Share of profit of joint ventures and associates	11,596,997	3,945,383
Reversal/(charge) of impairment of non-financial assets	30,048	(3,137,310)
<b>Total profit/(loss) before income tax for the period</b>	<b>38,827,516</b>	<b>1,153,165</b>

(d) Major customers

During the nine months ended 30 September 2021, more than 10% of the total revenue was sold to the companies under the control of Samruk-Kazyna. There were no significant changes in the assets and liabilities of operating segments, except for those disclosed in the latest annual consolidated financial statements.

#### 5 Balances and Transactions with Related Parties

Related parties are defined in IAS 24, Related Party Disclosures. Parties are generally considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. The Company's parent entity and ultimate controlling party are disclosed in Note 1.

Related parties include the companies under control of Samruk-Kazyna. Transactions with the state owned entities are not disclosed when they are entered into in the ordinary course of business with terms consistently applied to all public and private entities i) when they are not individually significant, ii) if the Group's services are provided on the standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications and etc. At 30 September 2021, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Companies under common control	JVs and associates of Samruk- Energy	JVs and associates of Samruk- Kazyna	Shareholders	Government related entities
Trade and other receivables	7,187,356	-	35,545	-	7,684,771
Cash and cash equivalents	20,715	-	-	-	-
Other current assets	96,975	452	-	-	31,714
Borrowings	-	-	3,854	69,771,929	13,481,108
Lease liabilities	34,706	-	-	-	-
Trade and other payables	4,977,082	2,999,123	72	18,958	222,835
Other payables	-	-	-	-	5,841,514

At 31 December 2020, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Companies under common control	JVs and associates of Samruk- Energy	JVs and associates of Samruk- Kazyna	Shareholders	Government related entities
Trade and other receivables	4,750,550	-	17,611	-	12,258,166
Cash and cash equivalents	236	-	-	-	-
Other current assets	68,100	449	-	-	30
Borrowings	-	-	4,136	67,877,969	15,955,890
Lease liabilities	10,344	-	-	-	-
Trade and other payables	5,307,340	3,497,636	-	40,129	218,586
Other payables	-	-	-	-	5,841,514

## 5 Balances and Transactions with Related Parties (Continued)

The income and expense items with related parties for nine months ended 30 September 2021 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	42,275,315	947,189	103,603	-	15,001,259
Cost of sales	49,923,955	24,784,401	-	-	1,961,620
General and administrative expenses	256,099	-	(35,772)	-	-
Selling expense	6,445,903	-	-	-	-
Other expenses	50,350	-	-	45,912	-
Other income	750	-	10	-	104,909
Finance costs	3,451	-	-	5,436,346	755,306
FOREX loss	-	(445)	-	-	(50,270)

The income and expense items with related parties for nine months ended 30 September 2020 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	36,864,184	923,980	89,697	-	13,786,750
Cost of sales	38,669,616	21,853,460	-	-	1,846,666
General and administrative expenses	205,071	-	-	-	-
Selling expense	6,524,720	-	-	-	-
Other expenses	647	36,787	10	52,113	-
Other income	-	-	-	-	99,216
Finance costs	1,674	-	-	5,122,126	915,852
Finance income	-	36,787	-	-	-
FOREX loss	-	-	-	-	(706,788)

As of 30 September 2021, the Group received the following guarantees from related parties:

- Corporate guarantee of Samruk-Kazyna in the amount of Tenge 12,285,000 thousand under a loan agreement with the Development Bank of Kazakhstan (31 December 2020: Tenge 12,285,000 thousand)
- Government guarantee in the amount of USD 25,000,000 under the loan agreement with the Development Bank of Kazakhstan (31 December 2020: USD 25,000,000).

Key management compensation is presented below:

<i>In thousands of Kazakhstani Tenge</i>	<b>Nine months ended 30 September 2021 (unaudited)</b>	<b>Nine months ended 30 September 2020 (unaudited)</b>
Key management compensation	284,359	90,276
<b>Total key management compensation</b>	<b>284,359</b>	<b>90,276</b>

Key management personnel compensation represents the salaries, bonuses and other short-term employee benefits. Key management personnel as at 30 September 2021 comprises 4 persons (30 September 2020: 5 persons).

## 6 Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Oil and gas assets</b>	<b>Buildings and construc- tions</b>	<b>Machinery and equipment</b>	<b>Other</b>	<b>Construc- tion in progress</b>	<b>Total</b>
Cost at 1 January 2021	14,863,617	282,007,293	658,504,487	16,840,820	111,702,193	1,083,918,410
Accumulated depreciation and impairment	(315,663)	(84,298,811)	(258,018,438)	(6,999,544)	(2,645,838)	(352,278,294)
<b>Carrying amount at 1 January 2021</b>	<b>14,547,954</b>	<b>197,708,482</b>	<b>400,486,049</b>	<b>9,841,276</b>	<b>109,056,355</b>	<b>731,640,116</b>
Additions	7,466	144,981	748,460	229,693	17,717,309	18,847,909
Change in accounting estimates	-	(89,398)	-	-	-	(89,398)
Transfers	-	825,245	9,159,050	140,376	(10,122,183)	2,488
Disposal	-	(3,468)	(531,269)	(201,417)	-	(736,154)
Depreciation	-	(9,144,030)	(30,726,463)	(756,506)	-	(40,626,999)
Depreciation on disposal	-	2,890	450,283	151,547	-	604,720
Impairment	-	30,052	2,765	548	-	33,365
Cost as at 30 September 2021	14,871,083	282,884,653	667,880,728	17,009,472	119,297,319	1,101,943,255
Accumulated depreciation and impairment	(315,663)	(93,409,899)	(288,291,853)	(7,603,955)	(2,645,838)	(392,267,208)
<b>Carrying amount as at 30 September 2021 (unaudited)</b>	<b>14,555,420</b>	<b>189,474,754</b>	<b>379,588,875</b>	<b>9,405,517</b>	<b>116,651,481</b>	<b>709,676,047</b>

Additions include capitalized borrowing costs in the amount of Tenge 938,884 thousand. The average capitalization rate for interest expenses is 12.09% (31 December 2020: 11.72%).

Depreciation charge is allocated to the following items of profit and loss and property, plant and equipment for the year:

<i>In thousands of Kazakhstani Tenge</i>	<b>9 months, ended 30 September 2021 (unaudited)</b>	<b>9 months, ended 30 September 2020 (unaudited)</b>
Cost of sales	40,276,489	41,844,286
General and administrative expenses	334,100	818,176
Capitalized to construction in progress	11,580	-
Other operating expenses	4,830	19,766
<b>Total depreciation charges</b>	<b>40,626,999</b>	<b>42,682,228</b>

## 7 Right-of-Use Assets and Lease Liabilities

<i>In thousands of Kazakhstani Tenge</i>	<b>Buildings and constructions</b>	<b>Machinery and equipment</b>	<b>Land</b>	<b>Total</b>
Cost at 1 January 2021	3,267,001	51,646	988,292	4,306,939
Accumulated depreciation and impairment	(1,089,498)	(14,252)	(65,565)	(1,169,315)
<b>Carrying amount as at 1 January 2021</b>	<b>2,177,503</b>	<b>37,394</b>	<b>922,727</b>	<b>3,137,624</b>
Additions	124,320	-	1,081	125,401
Depreciation	(311,877)	(7,578)	(41,337)	(360,792)
Depreciation on disposal	184,461	-	-	184,461
Disposals	(451,594)	-	-	(451,594)
Cost at 30 September 2021	2,939,727	51,646	989,373	3,980,746
Accumulated depreciation and impairment	(1,216,914)	(21,830)	(106,902)	(1,345,646)
<b>Carrying amount as at 30 September 2021 (unaudited)</b>	<b>1,722,813</b>	<b>29,816</b>	<b>882,471</b>	<b>2,635,100</b>

The Group recognized the following lease liabilities:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>1 January 2021</b>
Non-current lease liabilities	1,452,937	1,696,109
Current lease liabilities	637,932	1,106,004
<b>Total lease liabilities</b>	<b>2,090,869</b>	<b>2,802,113</b>

Interest expenses included in finance costs for 9 months of 2021 amounted to Tenge 235,582 thousand (9 months 2020: Tenge 209,047 thousand). Expenses for variable lease payments not included in lease liabilities, which were charged to general and administrative expenses for 9 months of 2021, amounted to Tenge 90,378 thousand (9 months 2020: Tenge 87,768 thousand).

## 8 Investments in Joint Ventures and Associates

The table below summarises the movements in the carrying amount of the Group's investments in joint ventures and associates.

<i>In thousands of Kazakhstani Tenge</i>	Joint ventures		Associates	Total
	SEGRES-2	Forum Muider	Energy Semirechiya	
Balance at 1 January 2020	17,787,425	33,938,422	2,417,657	54,143,504
Share of profit/(loss) for the period	(3,126,172)	7,320,107	(248,552)	3,945,383
Dividends accrued	-	(2,980,958)	-	(2,980,958)
<b>Balance at 30 September 2020 (unaudited)</b>	<b>14,661,253</b>	<b>38,277,571</b>	<b>2,169,105</b>	<b>55,107,929</b>
Balance at 1 January 2021	15,934,313	42,436,972	2,239,914	60,611,199
Share of profit/(loss) for the period	2,073,538	9,586,209	(62,750)	11,596,997
Dividends accrued	-	(72,460)	-	(72,460)
<b>Balance at 30 September 2021 (unaudited)</b>	<b>18,007,851</b>	<b>51,950,721</b>	<b>2,177,164</b>	<b>72,135,736</b>

As of 30 September 2021, The Group has interests in the following jointly controlled entities:

- SEGRES-2 – 50%. The remaining 50% interest is owned by National Welfare Fund Samruk-Kazyna JSC.
- Forum Muider – 50%. The remaining 50% is owned by UC RUSAL.

The Group has a share in the Energiya-Semirechya LLP associate (25%). Energiya-Semirechya LLP plans to build a renewable energy source station. The shareholders of Energiya-Semirechya LLP are Hydrochina Corporation (interest share of 50%), Samruk Energy JSC (interest share of 25%), Powerchina Chegdu Engineering Corporation (interest share of 15%), and Powerchina Resources Ltd (interest share of 10%).

## 9 Other Non-Current Assets

<i>In thousands of Kazakhstani Tenge</i>	30 September 2021 (unaudited)	31 December 2020
Long-term receivables	10,269,601	727,652
Bonds	1,322,145	1,513,701
Restricted cash	54,265	54,265
Other non-current financial assets	136,567	143,699
Less: impairment provision	(1,434,533)	(105,749)
<b>Total other financial non-current assets</b>	<b>10,348,045</b>	<b>2,333,568</b>
Prepayments for non-current assets	54,231,206	10,589,179
Non-current VAT recoverable	548,033	546,752
Other non-current assets	1,132,031	197,604
<b>Total other non-current assets</b>	<b>66,259,315</b>	<b>13,667,103</b>

## 9 Other Non-Current Assets (Continued)

### Prepayments for non-current assets

Gross amount of other non-current assets includes advances and prepayments for the following types of construction services and property, plant and equipment:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Reconstruction of power unit #1 of EGRES-1 with installation of electric filters	33,798,445	-
Construction of a 50 MW wind farm in Ereimentau	13,928,278	10,107,411
Overhaul of power units of EGRES-1	5,840,173	-
Construction and reconstruction of substations in Almaty and Almaty region	651,348	481,768
Other	12,962	-
<b>Total prepayments for non-current assets</b>	<b>54,231,206</b>	<b>10,589,179</b>

## 10 Inventories

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Auxiliary production materials	5,164,242	4,406,474
Fuel	4,793,460	4,986,888
Spare parts	2,563,513	2,985,075
Raw materials	35,830	28,159
Other materials	509,974	382,530
Less: provision for write down to net realisable value and provision for slow-moving and obsolete inventories	(1,088,628)	(1,114,980)
<b>Total inventories</b>	<b>11,978,391</b>	<b>11,674,146</b>

## 11 Trade and Other Receivables

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Trade receivables	32,762,826	38,617,270
Less: impairment provision	(2,634,778)	(1,721,433)
<b>Total financial receivables</b>	<b>30,128,048</b>	<b>36,895,837</b>
Other receivables	4,069,890	4,341,451
Less: impairment provision	(3,587,254)	(3,576,976)
<b>Total trade and other receivables</b>	<b>30,610,684</b>	<b>37,660,312</b>

### **Uncontracted electric power consumption by consumers in the Almaty power hub**

Starting from 2020, differences occurred between two subsidiaries of the Group: AZhC and AlmatyEnergoSbyt LLP in volumes between power energy transmission and sale. These differences occurred as a result of uncontracted connection to Group's electric power networks of entities located within the territory of the Industrial Zone – Almaty LLP.

As a result of the activities performed, Group concluded that Almaty Kuat LLP not having contractual relationship for acquiring power energy and rendering services on electricity transmission provided power supply services to consumers within the territory of the Industrial Zone – Almaty LLP by connecting to Group's electric power networks without any electricity supply or transmission contract. Revenue was not recognized for these transactions by the Group.

## 12 Other Current Assets

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Other receivables	2,286,843	9,894,767
Bonds	395,260	409,094
Restricted cash	310,559	313,343
Term deposits	254,320	169,050
Dividends receivable	452	449
Other current financial assets	49,813	120,487
Less: impairment provision	(1,181,811)	(1,786,339)
<b>Total other current financial assets</b>	<b>2,115,436</b>	<b>9,120,851</b>
Advances to suppliers	2,309,462	1,076,683
VAT recoverable and prepaid taxes	2,180,556	1,993,903
Other current non-financial assets	673,222	479,381
Less: impairment provision	(362,282)	(362,282)
<b>Total other current assets</b>	<b>6,916,394</b>	<b>12,308,536</b>

### **Other receivables**

As of 30 September 2021, other receivables primarily include a short-term part of receivable from “United Energy Service Company” JSC (formerly “East Kazakhstan Energy Company” LLP) of Tenge 1,357,524 thousand and receivable from “Tauba Invest” LLP of Tenge 760,025 thousand. As of 30 September 2021, impairment provision for receivables from “Tauba Invest” LLP is Tenge 760,025 thousand. On 7 October 2021, “United Energy Service Company” JSC fully repaid a short-term part of receivables.

## 13 Cash and Cash Equivalents

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Cash at current bank accounts	10,578,300	6,138,299
Term deposits	4,401,692	3,740,118
Cash on hand	21,735	15,461
<b>Total cash and cash equivalents</b>	<b>15,001,727</b>	<b>9,893,878</b>

Cash and cash equivalents balances are denominated in the following currencies:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Kazakhstani Tenge	13,517,372	8,422,523
Euro	1,484,220	1,470,898
US Dollar	25	452
Other currencies	110	5
<b>Total cash and cash equivalents</b>	<b>15,001,727</b>	<b>9,893,878</b>

## 14 Equity

At 30 September 2021, 5,601,812 issued ordinary shares were fully paid (31 December 2020: 5,601,812 shares). Each ordinary share carries one vote. The Company does not have any preference shares. The number of authorized shares is 8,602,187 (31 December 2020: 8,602,187 shares).

On 12 April 2021, the Group announced the payment of dividends to the sole shareholder in the amount of Tenge 3,242,143 thousand – Tenge 578.77 per share. On 28 June 2021, dividends have been paid in full.

## 15 Borrowings

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
<b>Non-current portion</b>		
Bank term loans	140,234,640	117,484,894
Loan from Samruk-Kazyna	67,046,357	65,293,870
Bonds issued	24,833,825	24,819,396
Loans from customers	972,460	1,047,210
<b>Total borrowings – non-current portion</b>	<b>233,087,282</b>	<b>208,645,370</b>
<b>Current portion</b>		
Bank term loans	40,201,667	52,011,263
Loan from Samruk-Kazyna	2,725,571	2,584,099
Bonds issued	867,257	360,287
Loans from customers	369,996	352,157
<b>Total borrowings – current portion</b>	<b>44,164,491</b>	<b>55,307,806</b>
<b>Total borrowings</b>	<b>277,251,773</b>	<b>263,953,176</b>

The carrying amount of borrowings by Group companies is as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
<b>“Samruk-Energy” JSC</b>		
Samruk-Kazyna	69,771,928	67,877,969
Asian Development Bank	46,432,041	46,607,731
Bonds	25,701,082	25,179,683
European Bank for Reconstruction and Development	12,766,370	18,327,606
<b>Total “Samruk-Energy” JSC</b>	<b>154,671,421</b>	<b>157,992,989</b>
<b>“Alatau Zharyk Company” JSC</b>		
Halyk Bank JSC	7,254,141	9,687,526
Borrowings from customers	1,342,456	1,399,367
<b>Total “Alatau Zharyk Company” JSC</b>	<b>8,596,597</b>	<b>11,086,893</b>
<b>“Almaty Power Stations” JSC</b>		
Halyk Bank	13,057,269	17,531,496
<b>Total “Almaty Power Stations” JSC</b>	<b>13,057,269</b>	<b>17,531,496</b>



**15 Borrowings (Continued)**

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
<b>“Moinak HPS” JSC</b>		
Development Bank of Kazakhstan	13,460,463	15,944,544
<b>Total “Moinak HPS” JSC</b>	<b>13,460,463</b>	<b>15,944,544</b>
<b>“AlmatyEnergoSbyt” LLP</b>		
Halyk Bank	2,400,000	2,439,389
<b>Total “AlmatyEnergoSbyt” LLP</b>	<b>2,400,000</b>	<b>2,439,389</b>
<b>“Shardara HPS” JSC</b>		
European Bank of Reconstruction and Development	19,323,548	21,398,739
<b>Total Shardara HPS</b>	<b>19,323,548</b>	<b>21,398,739</b>
<b>“Ereymenau Wind Power” LLP</b>		
Eurasian Development Bank	7,311,170	6,911,548
<b>Total “Ereymenau Wind Power” LLP</b>	<b>7,311,170</b>	<b>6,911,548</b>
<b>“Ekibastuz GRES-1” LLP</b>		
Halyk Bank	50,956,305	19,245,703
Sberbank	7,475,000	11,401,875
<b>Total “Ekibastuz GRES-1” LLP</b>	<b>58,431,305</b>	<b>30,647,578</b>
<b>Total borrowings</b>	<b>277,251,773</b>	<b>263,953,176</b>

For the nine months ended 30 September 2021 there were the following significant changes in borrowings:

**“Samruk-Energy” JSC**

During 9 months ended 30 September 2021, the Company repaid regular tranche on loan from the European Bank for Reconstruction and Development of Tenge 3,042,235 thousand and made partial repayment of loan in the amount of Tenge 2,538,200 thousand.

During 9 months ended 30 September 2021, the Company received one short-term tranche from Halyk Bank of Kazakhstan JSC under a revolving credit line of Tenge 2,100,000 thousand, which was fully repaid during the reporting period. As of 30 September 2021, there is no outstanding amount of payable to Halyk Bank of Kazakhstan JSC.

During 9 months ended 30 September 2021, the Company received 5 short-term tranches of Tenge 30,750,000 thousand under a revolving credit line in Sberbank SB JSC that were fully repaid during the reporting period. As of 30 September 2021, there is no outstanding amount of payable to Sberbank SB JSC.

**“Alatau Zharyk Company” JSC**

During the 9 months ended 30 September 2021, the Company under a credit line agreement No.KS 02-15-21 dated 30 September 2015 signed with Halyk Bank of Kazakhstan JSC received borrowings to finance investment projects “Transfer of a portion of loadings from existing SS-5A, SS-17A and SS-132A to a newly constructed SS110/10 “Otrar” for the amount of Tenge 60,868 thousand and made scheduled repayments of a principal debt for Tenge 2,506,106 thousand and interest of Tenge 797,094 thousand.

## 15 Borrowings (Continued)

### “Almaty Power Stations” JSC

During the 9 months ended 30 September 2021, the Company under a credit line agreement No.KS 02-14-39 dated 26 November 2014 signed with Halyk Bank of Kazakhstan JSC received borrowings to replenish working capital for the total amount of Tenge 4,243,305 thousand at the rate of 11.0%. The Company repaid debt principal on borrowings from Halyk Bank of Kazakhstan JSC totaling Tenge 8,676,292 thousand.

### “Moinak HPS” JSC

During the 9 months ended 30 September 2021, Moinak Hydro Power Station JSC repaid debt principal and interest on borrowings received from the Development Bank of Kazakhstan JSC in amount of Tenge 3,289,604 thousand.

### “AlmatyEnergSbyt” LLP

During the 9 months ended 30 September 2021, the Company received borrowings in the total amount of Tenge 8,400,000 thousand under the credit line agreement No.KS 02-15-09 dated 22 April 2015 signed with Halyk Bank of Kazakhstan JSC. During the 9 months of 2021, the interest rate remained unchanged and according to the supplementary agreement No.22 dated 13 August 2020 the rate was set of 10.75% per annum for 3 (three) months and 11% per annum for the period of six months.

### “Shardarinskaya HPP” JSC

As part of the loan agreement between Shardarinskaya HPP JSC, EBRD and Samruk-Energy JSC, during nine months of 2021 the principal of Tenge 2,123,523 thousand and interest of Tenge 1,672,197 thousand were repaid. On 2 June 2021, the interest rate changed from 9.24% to 13.76%.

### “Ekibastuz GRES-1” LLP

During the 9 months ended 30 September 2021, under the Agreement on the provision of credit line No.KS 01-15-06 dated April 8, 2015, signed with Halyk Bank of Kazakhstan JSC, the Company received tranches in the total amount of Tenge 60,272,958 thousand. During nine months of 2021, the Company repaid the principal and interest on the loan received from Halyk Bank of Kazakhstan JSC in the total amount of Tenge 30,665,445 thousand.

During the 9 months ended 30 September 2021, the Company repaid the principal and interest on the loan received from SB Sberbank JSC in the amount of Tenge 3,625,000 thousand. On 27 September 2021, additional agreements were concluded with SB Sberbank JSC regarding the reduction of the interest rate to 10.85% per annum.

### “Ereymtau Wind Power” LLP

During the 9 months ended 30 September 2021, the Company under a non-revolving credit line agreement No.193 dated 31 October 2019 with the Eurasian Development Bank accrued for interest of Tenge 399,622 thousand, which was capitalized to construction in progress.

## 16 Other Non-Current Liabilities

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Historical costs associated with obtaining subsoil use rights	1,832,513	1,704,370
Trade payables	-	1,470,769
<b>Total non-current financial liabilities</b>	<b>1,832,513</b>	<b>3,175,139</b>
Deferred income	574,602	591,994
Other	40,148	185,017
<b>Total other non-current liabilities</b>	<b>2,447,263</b>	<b>3,952,150</b>

## 17 Trade and Other Payables

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Trade payables	14,350,550	19,421,734
Salaries payable	1,468,435	1,566,489
Dividends payable	449,679	428,543
Other financial payables	1,697,401	3,650,677
<b>Total financial payables</b>	<b>17,966,065</b>	<b>25,067,443</b>
Payables to Almaty City Akimat (Note 3)	5,841,514	5,841,514
Advances received from customers	3,184,542	2,536,883
Accrued provisions for unused vacations	1,828,396	2,141,294
Other non-financial payables	140,804	185,320
<b>Total trade and other payables</b>	<b>28,961,321</b>	<b>35,772,454</b>

## 18 Revenue

<i>In thousands of Kazakhstani Tenge</i>	<b>Nine months ended 30 September 2021 (unaudited)</b>	<b>Nine months ended 30 September 2020 (unaudited)</b>	<b>Three months ended 30 September 2021 (unaudited)</b>	<b>Three months ended 30 September 2020 (unaudited)</b>
Sales of electricity	191,764,448	151,621,312	67,403,910	49,884,888
Income from maintenance of electric power capacity	24,065,094	23,590,179	10,220,890	8,075,808
Sales of heating energy	11,724,539	11,112,035	1,336,183	1,362,215
Rental income from renewable energy sources	3,600,215	3,760,455	950,919	946,989
Income from transmission of electricity	3,425,027	2,922,859	1,193,609	908,941
Rental income from investment property	2,935,892	3,058,563	979,196	973,991
Sales of chemically purified water	1,327,707	1,192,741	443,920	436,362
Other	272,576	796,488	233,677	696,036
<b>Total revenue</b>	<b>239,115,498</b>	<b>198,054,632</b>	<b>82,762,304</b>	<b>63,285,230</b>

**19 Cost of Sales**

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Fuel	42,436,898	38,686,512	12,334,846	11,179,250
Depreciation of property, plant and equipment and amortisation of intangible assets	40,715,571	42,717,021	13,677,939	14,300,330
Cost of purchased electricity from renewable energy sources	29,550,834	18,079,148	12,552,966	8,737,451
Payroll and related expenses	22,533,170	20,010,437	7,704,587	6,463,639
Electricity transmission and other services	9,144,659	8,045,631	3,331,678	3,386,994
Taxes other than income tax	7,780,626	6,786,202	2,550,343	2,285,250
Maintaining electric power capacity	6,546,346	7,468,617	2,126,979	2,464,396
Repairs and maintenance	4,617,694	4,735,697	2,563,311	2,140,590
Water supply	4,568,572	3,513,096	1,813,022	1,372,459
Third party services	3,655,984	4,211,161	1,297,714	1,406,372
Materials	1,309,120	1,092,180	586,633	428,918
Security services	825,730	829,513	278,688	277,540
Electricity losses on transmission	1,855	1,952	1,086	1,017
Rent expenses	1,222	23,939	819	460
Accrual/(reversal) of provision on obsolete and slow-moving inventories	(26,353)	107,878	1,990	5,631
Other	2,180,336	2,199,370	1,117,225	700,684
<b>Total cost of sales</b>	<b>175,842,264</b>	<b>158,508,354</b>	<b>61,939,826</b>	<b>55,150,981</b>

**20 Selling Expenses**

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Dispatch and electricity control	5,503,241	5,058,891	1,911,868	1,764,973
Electricity transmission	980,067	1,480,260	9,212	22,022
Payroll and related expenses	41,566	40,998	12,925	12,238
Other	462	939	162	232
<b>Total selling expense</b>	<b>6,525,336</b>	<b>6,581,088</b>	<b>1,934,167</b>	<b>1,799,465</b>

## 21 General and Administrative Expenses

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Payroll and related expenses	5,416,045	4,599,632	1,901,743	1,418,102
Accrual/(reversal) of provision for the impairment of trade and other receivables, other current assets	920,655	292,741	888,160	17,233
Depreciation of property, plant and equipment and amortisation of intangible assets	734,430	1,000,773	252,909	446,952
Consulting and other professional services	519,911	373,934	117,303	73,111
Security services	327,091	355,499	109,634	119,271
Taxes other than on income	211,933	2,183,296	58,346	70,811
Materials	166,604	151,544	80,636	69,192
Business trip and representative expenses	158,333	87,419	54,300	17,422
Repair costs	109,903	108,343	42,218	25,707
Rent expenses	90,378	87,768	27,027	25,710
Insurance	88,286	73,676	23,794	27,294
State duties	86,938	737,991	13,606	64,469
Communication expenses	65,544	67,633	19,676	22,117
Transportation expenses	37,266	26,958	8,040	9,935
Bank fees	28,177	46,515	8,635	12,404
Other	1,305,270	940,302	525,019	366,943
<b>Total general and administrative expenses</b>	<b>10,266,764</b>	<b>11,134,024</b>	<b>4,131,046</b>	<b>2,786,673</b>

## 22 Finance Income

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Income from unwinding of discount on non-current receivables	1,061,441	491,975	762,851	159,563
Interest income on bank deposits	790,180	589,554	291,581	185,629
Income from unwinding of discount on loans receivable and bonds	338,218	386,876	150,316	62,689
Other	118,022	47,303	72,987	14,851
Foreign exchange gains	-	-	16,256	-
<b>Total finance income</b>	<b>2,307,861</b>	<b>1,515,708</b>	<b>1,293,991</b>	<b>422,732</b>

## 23 Finance Costs

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Interest expense on borrowings and bonds	16,023,816	17,908,993	5,137,214	5,943,051
Dividends on preference shares of subsidiaries	91,143	105,830	-	35,276
Unwinding of the present value of discount:				
- loans and financial aids from the shareholder	4,339,343	3,994,681	1,451,106	1,357,632
- employee benefit obligations	114,656	93,703	36,408	27,914
- ash dump restoration provision	147,361	101,948	49,120	34,064
- loans from customers	125,410	142,409	41,259	46,962
- bonds issued	14,429	14,429	4,809	4,809
Foreign exchange losses less gains	49,247	706,788	-	351,820
Other	1,120,998	764,685	351,804	295,731
<b>Total finance costs</b>	<b>22,026,403</b>	<b>23,833,466</b>	<b>7,071,720</b>	<b>8,097,259</b>

## 24 Income Tax

	Nine months ended 30 September 2021 (unaudited)	Nine months ended 30 September 2020 (unaudited)	Three months ended 30 September 2021 (unaudited)	Three months ended 30 September 2020 (unaudited)
<i>In thousands of Kazakhstani Tenge</i>				
Current income tax expense	9,132,963	4,355,143	3,174,500	688,199
Deferred income tax benefit	(914,602)	(945,220)	(581,624)	(537,798)
<b>Total income tax expense</b>	<b>8,218,361</b>	<b>3,409,923</b>	<b>2,592,876</b>	<b>150,401</b>

## 25 Contingencies, Commitments and Operating Risks

In addition to the information below, as of 30 September 2021 there were no contingent and contractual liabilities and operational risks other than those disclosed in the consolidated financial statements for the year ended 31 December 2020.

### **Environmental matters**

The enforcement of environmental regulation in the Republic of Kazakhstan is evolving and the enforcement posture of government authorities of the Republic of Kazakhstan is continually being reconsidered. The Group periodically evaluates its environmental commitments. As obligations are determined, they are recognised immediately. Potential obligations, which can arise as a result of changes to effective regulations, as a result of a civil action or per legislation, cannot be estimated but can be material. However, per the current interpretation of the current legislation, management believes that the Group does not have material obligations in addition to the amounts already accrued and recorded in these condensed consolidated interim financial statements, which would have a material adverse effect on the operating results or the financial position of the Group.

On 2 January 2021, the President of RK signed new environmental code of the Republic of Kazakhstan, effective from 1 July 2021. According to the new environmental code from 2025 TOP-50 entities voluntarily transit to Complex Ecological Permits ("CEP"). TOP-50 entities included "Almaty Power Stations" JSC and "Ekibastuz GRES-1" LLP. This document requires from entities the implementation of the best available technologies ("BAT") and compliance with emission norms typical for BAT. BAT lists shall be developed by the authorised environmental protection body until 1 July 2023. The whole process of entities transition to CEP is voluntary, however if an entity decides to transit to CEP, then as an expansionary measure it is exempt from emission payments, and if it refuses, then emission payments increase 2 times from 2025, 4 times from 2028, 8 times from 2031. Currently, the Group assesses, how new environmental code of RK impacts the Group's operations.

## 25 Contingencies, Commitments and Operating Risks (Continued)

### Legal proceedings

In the normal course of business, the Group may be subject to legal proceedings and claims. Currently, the Group's management believes that final liabilities as a result of these legal proceedings and claims will not cause any significant negative impact on the Group's future financial position.

### Capital commitments

The Group reviewed its exposure to seasonal and other emerging business risks and did not identify any risks that could affect the financial performance or position of the Group as of 30 September 2021. The Group has sufficient financial resources to fulfil its capital commitments and ensure the availability of working capital.

As at 30 September 2021, the Group had contractual commitments to purchase the property, plant and equipment for Tenge 86,997,296 thousand (31 December 2020: Tenge 76,074,066 thousand).

### Capital commitments of joint ventures and associates

As at 30 September 2021, the Group's share in capital expenditure commitments of Forum Muider and SEGRES-2 comprised of Tenge 8,133,399 и 27,115,689 thousand respectively (31 December 2020: Tenge 13,800,248 thousand and Tenge 13,198,220 thousand respectively).

## 26 Fair Value Disclosures

To be indicative of the reliability of the data used in determining fair value, the Group classifies its financial instruments at three levels established in accordance with IFRS. Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly or indirectly (that is, as prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Fair values analysed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows:

In thousands of Kazakhstani Tenge	30 September 2021 (unaudited)				31 December 2020			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>ASSETS</b>								
Cash and cash equivalents	-	15,001,727	-	15,001,727	-	9,893,878	-	9,893,878
Restricted cash	-	56,262	-	56,262	-	367,608	-	367,608
Term deposit	-	253,604	-	253,604	-	168,202	-	168,202
Financial receivables	-	30,128,048	-	30,128,048	-	36,895,837	-	36,895,837
Other financial receivables	-	1,414,310	-	1,414,310	-	8,422,204	-	8,422,204
Long-term receivables	-	8,904,908	-	8,835,068	-	664,030	-	621,903
Dividends receivable	-	-	452	452	-	-	449	449
Bonds	928,252	-	843,629	1,717,405	1,110,280	-	915,193	1,922,795
<b>Total financial assets</b>	<b>928,252</b>	<b>55,758,859</b>	<b>844,081</b>	<b>57,406,876</b>	<b>1,110,280</b>	<b>56,411,759</b>	<b>915,642</b>	<b>58,292,876</b>

In thousands of Kazakhstani Tenge	30 September 2021 (unaudited)				31 December 2020			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Liabilities</b>								
Borrowings	-	272,563,358	-	277,251,773	-	263,116,478	-	263,953,176
Financial payables	-	17,966,065	-	17,966,065	-	25,067,443	-	25,067,443
Non-current payables	-	-	-	-	-	-	1,470,769	1,470,769
<b>Total financial liabilities</b>	<b>-</b>	<b>290,529,423</b>	<b>-</b>	<b>295,217,838</b>	<b>-</b>	<b>288,183,921</b>	<b>1,470,769</b>	<b>290,491,388</b>

## 26 Fair Value Disclosures (Continued)

### *Financial assets carried at amortised cost*

The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on the credit risk of the counterparty.

### *Financial liabilities carried at amortised cost*

The estimated fair value of instruments with a fixed interest rate and a fixed maturity date for which no market quotes are available is determined on the basis of estimated cash flows discounted at current interest rates for new instruments with similar credit risk and maturity.

### *Fair value of investment property.*

Investment property include the lease agreement of Bukhtarminskaya HPS evaluated based on the present value of future lease payments. Fair value of the investment property is Tenge 5,194,509 thousand (31 December 2020: Tenge 4,744,719 thousand).

## 27 Events after the Reporting Period

On 5 October 2021, "Almaty Power Stations" JSC under agreement KD 02-14-39-53 signed with Halyk Bank of Kazakhstan JSC made a scheduled repayment of the principal debt of Tenge 61,169 thousand.

On 5 October 2021, "Alatau Zharyk Company" JSC, under the agreement on the provision of a credit line No. KS 02-15-21 dated June 30, 2015 signed with Halyk Bank of Kazakhstan JSC, received a tranche in the amount of Tenge 552,338 thousand under the Limit - 4, the interest rate – 12.5% per annum.

On 8 October 2021, "Almaty Power Stations" JSC under agreement KD 02-14-39-54 signed with Halyk Bank of Kazakhstan JSC made a scheduled repayment of the principal debt of Tenge 786,753 thousand.

On 14 October 2021, "Alatau Zharyk Company" JSC, under the agreement on the provision of a credit line No. KS 02-15-21 dated June 30, 2015 signed with Halyk Bank of Kazakhstan JSC, received a tranche in the amount of Tenge 981,477 thousand under the Limit - 4, the interest rate – 12.5% per annum.

On 25 October 2021, "Samruk-Energy" JSC made a scheduled repayment interest of Tenge 442,399 thousand under loan agreement No.48308 dated 9 December 2016 in favor of European Bank for Reconstruction and Development.

On 25 October 2021, "Samruk-Energy" JSC made a scheduled repayment of interest under credit line agreement dated 8 November 2018 with Asian Development Bank, including under tranche A – Tenge 459,235 thousand, under tranche B – Tenge 435,278 thousand, under tranche C – Tenge 474,172 thousand.

## 28 Carrying Value of One Share

Pursuant to the resolution of the Exchange Council of Kazakhstan Stock Exchange JSC ("KASE") dated 4 October 2010, the consolidated financial statements should contain data on the carrying amount of one share (ordinary and preference) at the reporting date calculated in accordance with the rules approved by KASE. At 30 September 2021, this indicator calculated by the Group's management based on the condensed consolidated interim financial statements amounted to Tenge 91,852 (31 December 2020: Tenge 86,937). The table for calculating the carrying amount of one share is as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 September 2021 (unaudited)</b>	<b>31 December 2020</b>
Total assets	920,150,307	885,705,149
Less: intangible assets	(3,377,797)	(3,570,398)
Less: total liabilities	(402,232,834)	(395,129,513)
Net assets for ordinary shares	514,539,676	487,005,238
Number of ordinary shares at the reporting date	5,601,812	5,601,812
<b>Carrying amount of one share, Tenge</b>	<b>91,852</b>	<b>86,937</b>