

Management Report of Samruk-Energy JSC on the performance results for 2020

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1. Group Overview

For development and implementation of a long-term state policy on upgrading of existing and commissioning of new generating capacities, “Samruk-Energy” joint-stock company (hereinafter – the Company) was established on April 18, 2007 by the decision of the general meeting of founders. The founders of the Company at the time of its establishment were “Kazakhstan Holding for Management of State Assets “Samruk” JSC and “KazTransGas” JSC. The Company was registered in Almaty on May 10, 2007.

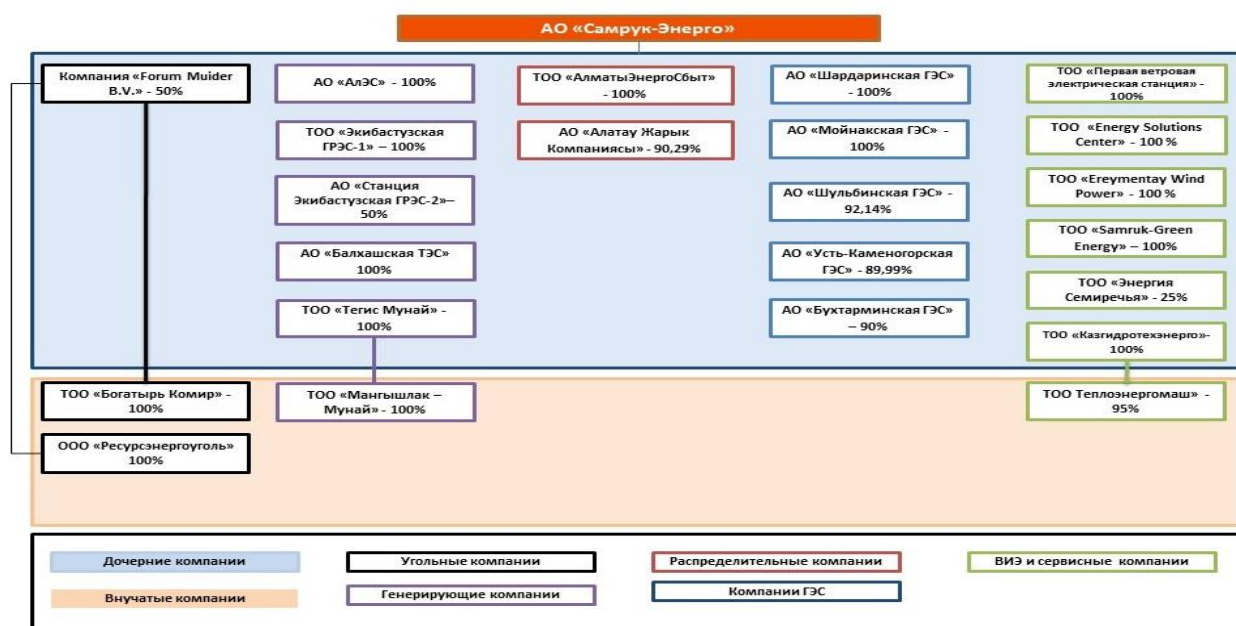
As a result of reorganization effected by the merger of “Kazakhstan holding on management of state assets “Samruk” and “Kazyna” Sustainable Development Fund JSC, on November 3, 2008, the Company’s shareholder became “Samruk-Kazyna” Sovereign Wealth Fund” JSC which is assignee of “Kazakhstan Holding on management of state assets “Samruk” .

To date, the Company is the largest diversified power holding company successfully integrated into the international energy mix, which forms a highly efficient energy supply system, and also ensures sustainable development of all sectors of Kazakhstan.

The Group is mainly engaged in production of electricity, heat and hot water based on coal, hydrocarbons and water resources and sales to the population and industrial enterprises, transportation of electricity and technical distribution of electricity in grids, construction of hydropower plants and thermal power plants, construction and operation of renewable energy sources, coal mining , as well as rental of property complexes of hydro power plants.

The Company's assets include the largest power producing companies, including power plants of national importance, such as Ekibastuz SDPP-1 and SDPP-2, as well as the plant that produces electricity and heat that is of regional importance in the Almaty region; Irtysh Cascade of HPPs There are main hydropower plants of the Republic that are included in the Irtysh cascade of HPPs, as well as hydropower plants in the southern regions of the country (Shardarinsk HPP and Moynak HPP). Also, the Company's assets include regional distribution grids and a sales company in the Almaty region and the largest coal mining enterprise in Kazakhstan “Bogatyr Komir” LLP. The enterprise supplies coal to the generating facilities of the Group and third parties located both in Kazakhstan and in the Russian Federation.

Current structure of “Samruk-Energy” JSC:



2. Macroeconomic factors

The past 2020 is characterized by a general unfavorable economic situation in the world against the background of the consequences of the impact of the spread of the COVID-19 virus, including in the Republic of Kazakhstan. According to an analytical report by Halyk Finance, in the 4th quarter of 2020 the situation in the economy began to change for the better thanks to the increase in world oil prices, easing of quarantine measures, double-digit growth in nominal wages and business adaptation to restrictions.

By the end of 2020, the economy of Kazakhstan showed improvement in key indicators with a minimum decline in GDP for the year at the level of 2.1% y / y. In general, in 2020, GDP contracted by 2.6% y / y, while the economy was in recession for the first time in the last two decades.

According to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan, inflation in the 4th quarter of 2020 reached its maximum level for the year to the level of 2.6%, and the annual inflation significantly exceeded the indicators of recent years. Inflationary pressures were triggered by the weakening of the national currency, increased government spending (24% of GDP versus 20% of GDP in 2019), an increase in regulated tariffs (+ 3.5% versus -2.7% in 2019) and excitement in the food market.

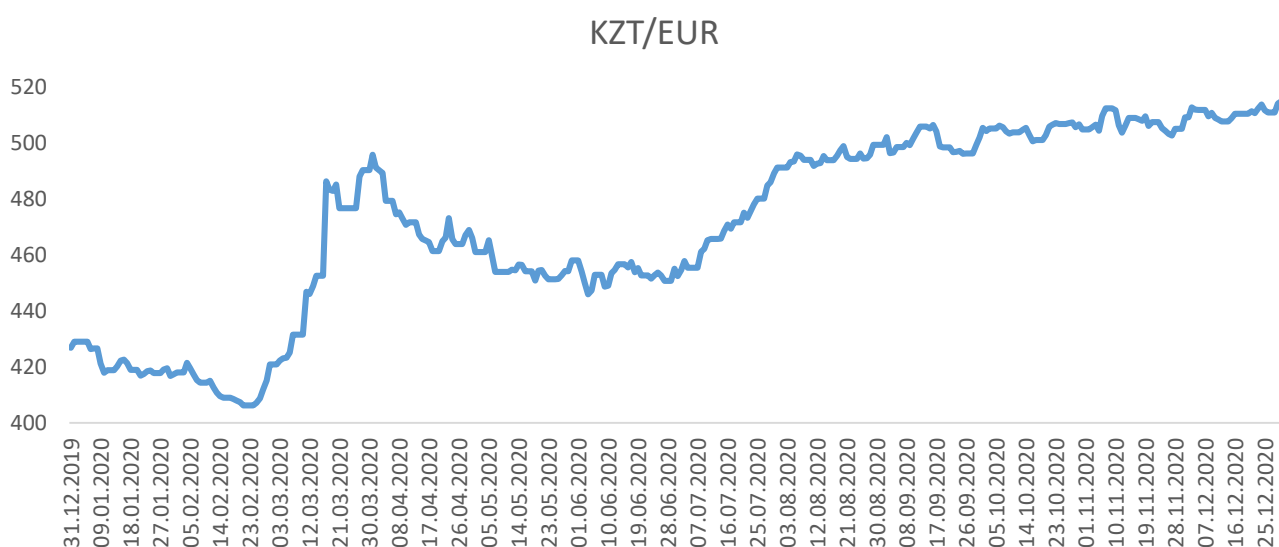
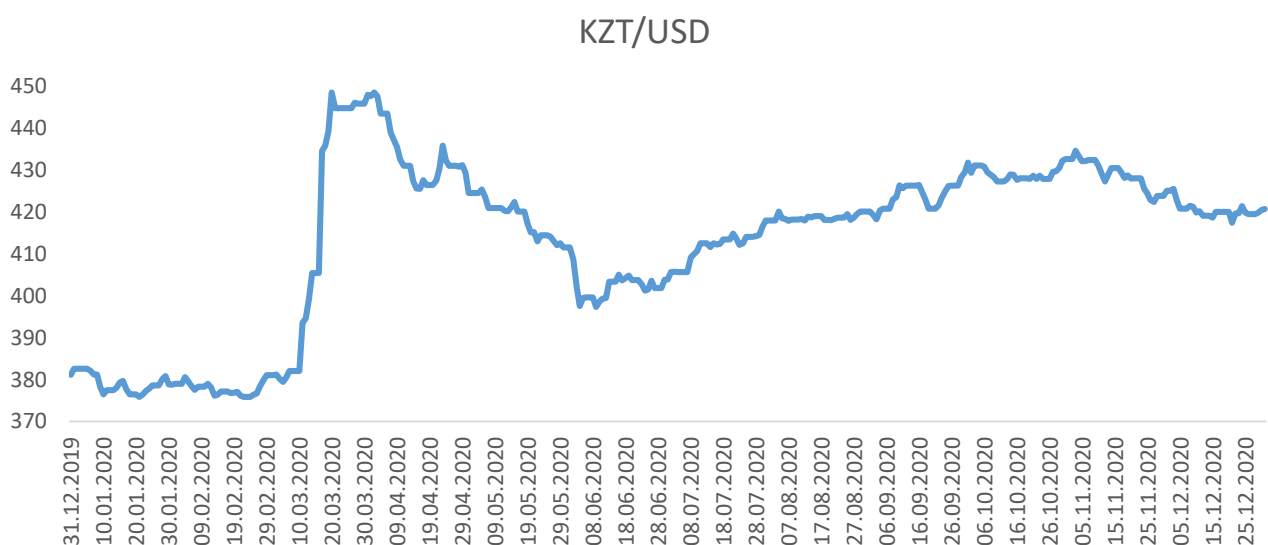
During the year, the regulatory authorities pursued an active policy in the foreign exchange market in view of the deteriorating foreign economic environment, which made it possible to keep the exchange rate of the national currency from further falling. Over the year, the national currency weakened by 10.4% to 420.71 tenge per dollar, demonstrating a 2.0% strengthening in 4Q2020. The main factor in the stabilization of the national currency rate in the 4th quarter was the growth of oil quotations by 26.5% to \$ 51.8 per barrel.

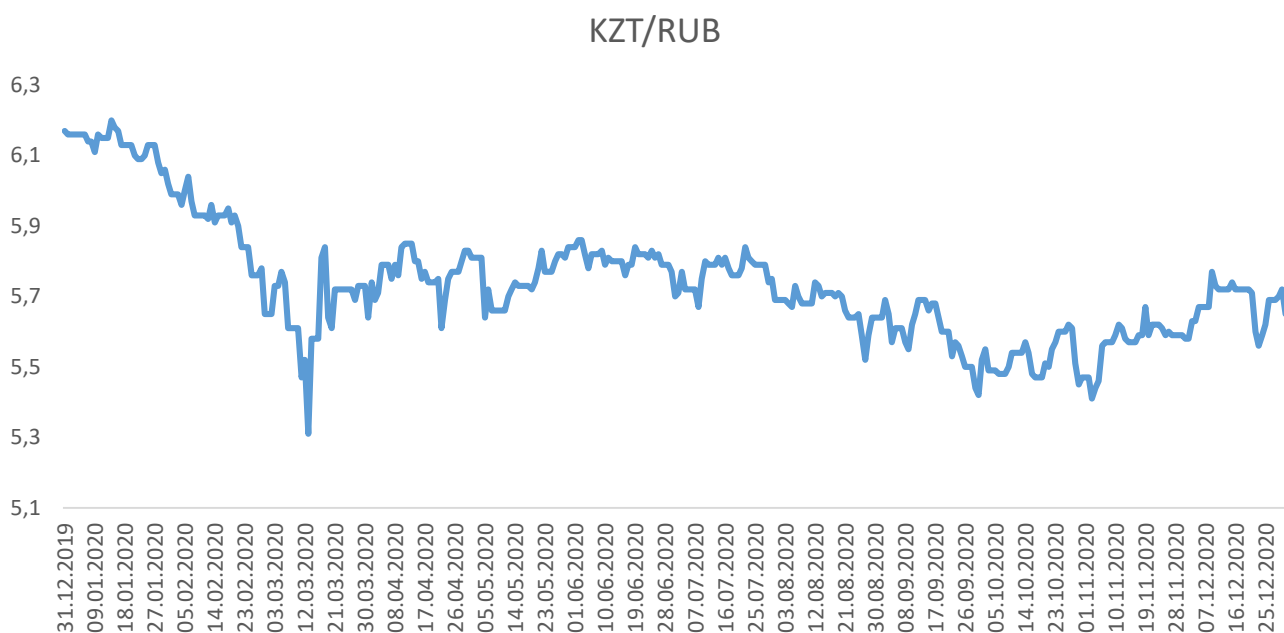
In December, the regulator kept the base rate at 9%, while reducing the liquidity management corridor from +/- 1.5% to +/- 1%. The main parameters of the base rate

reached the pre-crisis level, at which inflation was at the level of 5.3-5.4%. At that time, the regulator defined monetary conditions as neutral. Now, when inflation is forming at the level of 7.4-7.5%, and the rate corresponds to the pre-crisis level, such monetary conditions can be described as stimulating (source Halyk Finance).

Dynamics of currency exchange rates:

	31.12.2019	31.12.2020	%
KZT/USD	381.18	420.71	110%
KZT/EUR	426.85	516.13	121%
KZT/RUB	6.17	5.65	92%

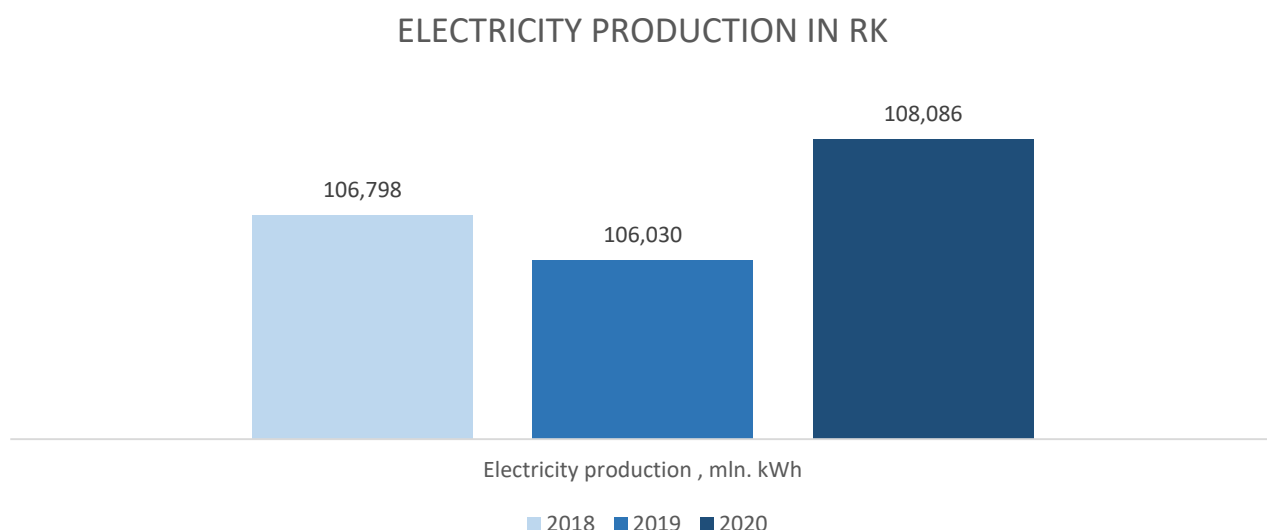




According to the data from System Operator, Kazakhstan's power plants produced 108,086 mln. kWh of electricity in 2020, which is 1.9% higher than 2019 figure. The increase in generation was observed in all zones of the Unified Electric Power System of Kazakhstan.

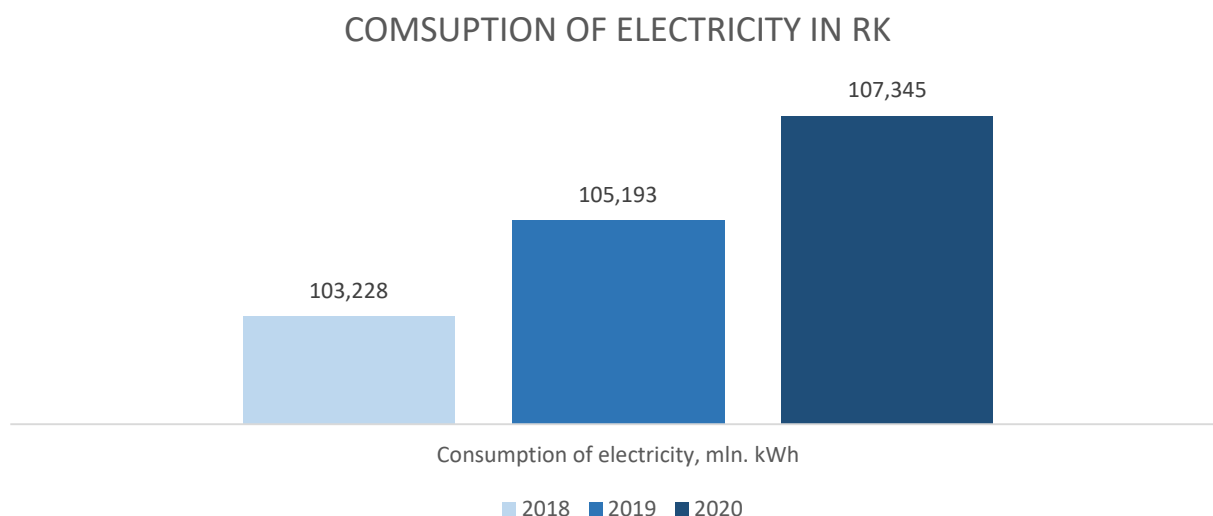
Electricity generation at Thermal Power Plants and Gas Turbine Power Plants in Kazakhstan, compared to the same period in 2019, increased by 707.6 million kWh (0.8%) and 552.1 million kWh (6.2%), respectively.

Decrease of electricity generation observed at Hydro Power Plants in Kazakhstan by 439.1 million kWh (4.4%). The operating mode of the stations was determined by the water balance and hydrological conditions.



According to the System Operator, in 2020 there was an increase in the dynamics of electricity consumption in the republic in comparison with the indicators of 2019 by 2%. Thus, in the northern zone of the republic, consumption increased by 2%, in the southern zone by 3%, and in the western zone by 1%.

During the reporting period of 2020, compared to the same period of 2019, the maximum increase in electricity consumption was in Pavlodar region by 1,204.4 mln. kWh (6%), Zhambyl region - by 475.6 mln. kWh (11%), Karaganda region - by 470.3 mln. kWh (3%), West Kazakhstan region - by 258.7 mln. kWh (13%).



3. Tariff policy

The laws of the Republic of Kazakhstan “On Electricity”, “On Natural Monopolies and Regulated Markets” and “On Competition” govern the operations of the Group’s subsidiaries and joint ventures, which are natural monopoly and regulated markets entities and entities with a dominant position in a competitive market. Tariff regulation, depending on the type of energy companies, falls within the competence of the Committee on Regulation of Natural Monopolies and Protection of Competition of the Ministry of National Economy of Kazakhstan (hereinafter - the Committee) or industry-specific ministry - the Ministry of Energy (hereinafter - ME).

Tariffs for electricity for energy-producing organizations (hereinafter - EPO) for the period from 2016-2018. were set at the level previously approved for 2015. marginal tariffs for stations.

Based on the Concept for the Development of the Fuel and Energy Complex (FEC) of Kazakhstan until 2030, adopted in 2014, the Capacity Market was introduced in 2019 as an effective mechanism for providing the industry with a sufficient level of investment, which will have a favorable effect on the market in the long term.

During 2019 taking into account the introduction of a capacity market for energy-producing organizations, the following have been formed:

- marginal tariffs for capacity, including the costs of investment projects and repayment of the main debt (for credit funds raised for the implementation of investment projects);
- marginal tariffs for electricity, including the costs of operating expenses and fixed income. By order of the Minister of Energy of the Republic of Kazakhstan dated May 22, 2020 No. 205, a new "Methodology for determining the fixed income taken into account when approving the marginal tariffs for electricity, as well as a fixed income for balancing

taken into account when approving the maximum tariffs for balancing electricity" was approved.

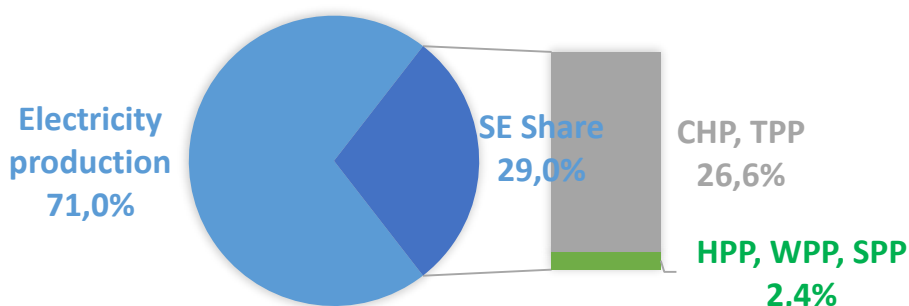
Tariffs for the supply of electric energy produced by renewable energy sources are fixed and approved by the Government of the Republic of Kazakhstan depending on renewable energy technology (separately for wind, solar and other sources) and are subject to annual indexation. At the same time, Financial Settlement center acts as a buyer, and the energy-producing organization acts as a seller.

Tariffs for the transmission and distribution of electricity for energy transmission companies, for the production of heat energy and tariffs for energy supply (ESO) 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. Regulation and control by the Committee is carried out in strict accordance with legislative and regulatory acts.

Social and political issues significantly influence tariff decisions. Economic, social and other policies of the Government of the Republic of Kazakhstan may have a significant impact on the Group's operations.

4. Production performance

THE SHARE OF "SAMRUK-ENERGY" JSC IN THE OVERALL ELECTRICITY PRODUCTION ACROSS THE RK FOR 2020



The share of "Samruk-Energy" JSC in total power generation in the Republic of Kazakhstan in 2019 was 29%, compared to 2018, the share decreased by 1%.

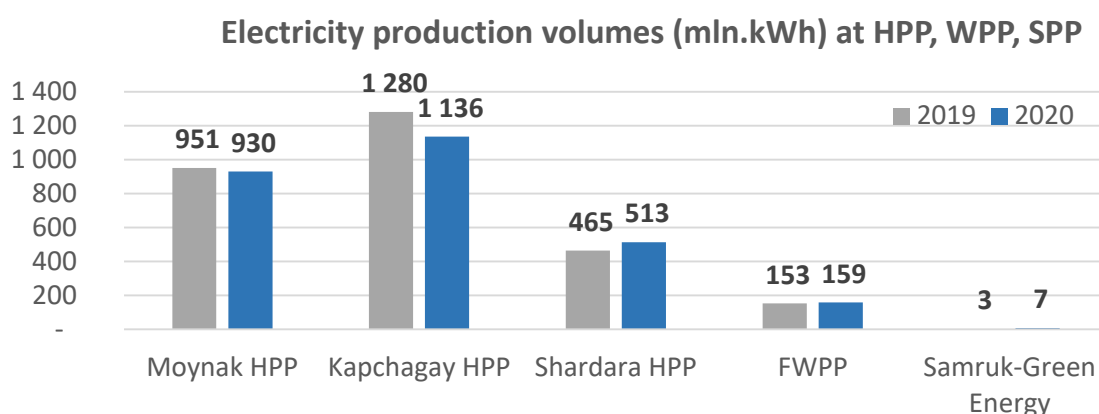
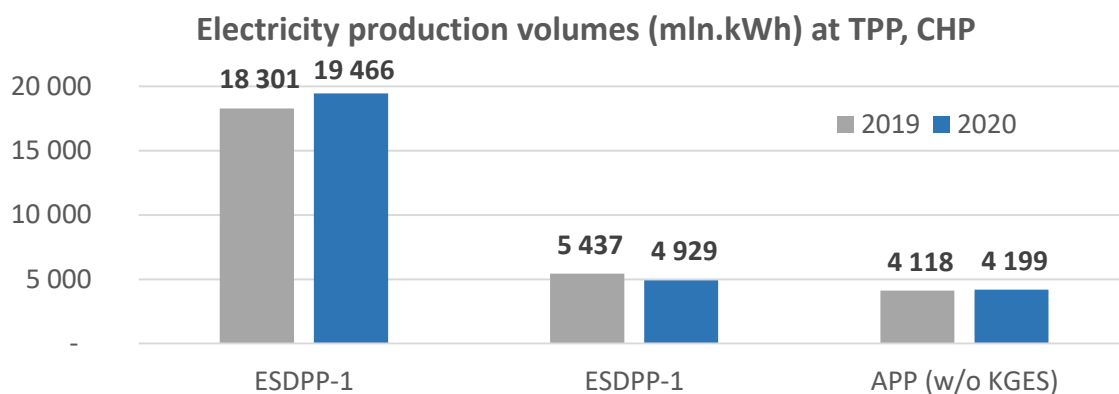
Operational KPI (broken down by producers)

Subsidiary and affiliate name	2018 (actual)	2019 (actual)	2020 (actual)	2020 deviation from 2019	2021 (forecast)	2022 (forecast)
Electricity production volume, mln.kWh¹						
"Almaty Power Plants" JSC	5,599.1	5,397.4	5,335.1	99%	5,343.0	5,343.0
"Ekibastuz SDPP-1" LLP	19,121.6	18,301.5	19,466.4	106%	19,295.7	20,172.3
"Ekibastuz SDPP-2 Plant" JSC	5,436.5	4,928.5	4,974.2	101%	5,818.9	5,819.0
"Shardara HPP" JSC	348.7	464.8	513.5	110%	596.0	596.0
"Moynak HPP" JSC	1,036.1	951.5	929.5	98%	906.0	906.0
"Samruk-Green Energy" LLP	3.2	3.3	7.4	221%	20.8	20.7
"FWPP" LLP	157.9	153.3	159.4	104%	166.5	166.5
"Ereymentau Wind Power", LLP						215.0

“Energiya Semirechiya”, LLP					61.0	243.8
Total	31,703.1	30,200.3	31,385.4	104%	32,207.7	33,482.3
Electricity sales volume, mln.kWh¹						
“Almaty Power Plants” JSC	4,891.7	4,725.4	4,689.1	99%	4,777.6	4,767.9
“Ekibastuz SDPP-1” LLP	18,340.0	17,642.5	19,001.0	107%	18,332.2	19,173.8
incl. export	3,758.0	966.6	859.2	89%	1,500.0	500.0
“Ekibastuz SDPP-2 Plant” JSC	5,160.8	4,689.5	4,809.3	103%	5,660.3	5,684.5
“Shardara HPP” JSC	344.6	466.2	521.3	112%	607.8	607.8
“Moynak HPP” JSC	1,034.4	952.3	943.7	99%	929.8	924.3
“Samruk-Green Energy” LLP	3.1	3.2	7.2	222%	20.0	19.9
“FWPP” LLP	157.5	152.9	159.1	104%	166.1	166.1
“Ereymenau Wind Power”, LLP						212.9
“Energiya Semirechiya”, LLP					54.4	217.7
Total	29,932.2	28,632.1	30,130.6	105%	30,548.0	31,774.8
Capacity sales volume, MW						
“Almaty Power Plants” JSC		817.4	872.1	107%	850.0	850.0
“Ekibastuz SDPP-1” LLP		501.9	1,556.4	310%	1,827.0	2,187.3
“Ekibastuz SDPP-2 Plant” JSC		846.8	743.3	88%	625.0	635.0
“Shardara HPP” JSC		41.6	57.2	137%	61.0	61.0
“Moynak HPP” JSC		280.9	285.7	102%	298.0	298.0
Total		2,488.6	3,514.7	141%	3,661.0	4,031.3
Electricity transmission volumes, mln.kWh²						
“Alatau Zharyk Company” JSC	6,796.0	6,961.3	6,837.8	98%	6,880.0	6,887.0
Total	6,796.0	6,961.3	6,837.8	98%	6,880.0	6,887.0
Electricity sales volumes, mln.kWh³						
“AlmatyEnergoSbyit” LLP	5,904.3	6,218.2	6,055.5	97%	6,100.0	6,106.0
Total	5,904.3	6,218.2	6,055.5	97%	6,100.0	6,106.0
Heat production volumes, thous.Gcal¹						
“Almaty Power Plants” JSC	5,616.9	5,024.5	5,596.4	111%	5,198.5	5,198.5
“Ekibastuz SDPP-2 Plant” JSC	78.6	82.8	66.9	81%	76.0	76.0
“Ekibastuz SDPP-1” LLP	59.9	132.3	155.4	117%	307.3	307.3
Total	5,755.4	5,239.6	5,818.7	111%	5,581.8	5,581.8
Coal sales volumes, mln.tons	40.4	44.7	43.4	97%	42.0	43.0

The volume of electricity production in 2020 amounted to 31,385.4 mln.kWh (an increase of 1,185.1 million kWh or 4% compared with 2019). The main reason for the growth was the increase of production volumes by 1,164.9 mln.kWh at the “Ekibastuz SDPP-1” LLP.

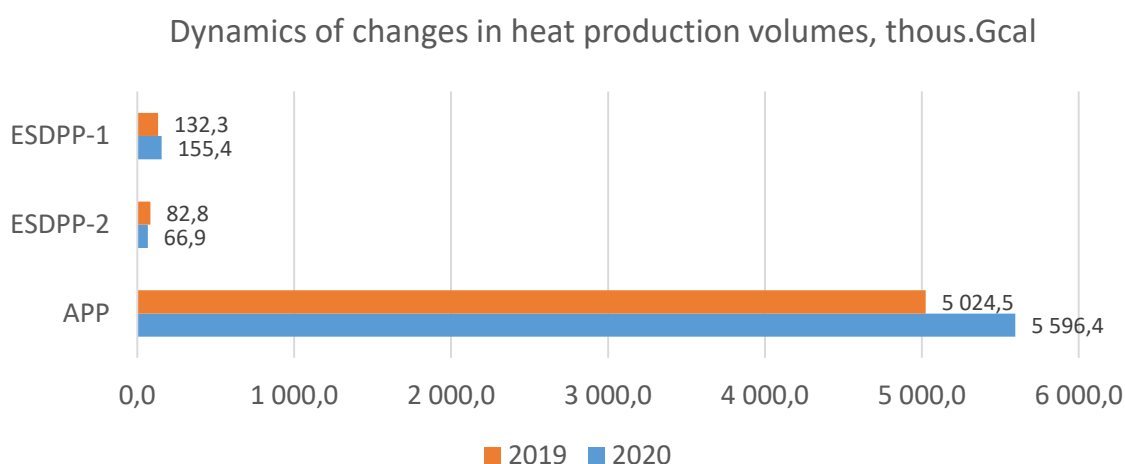
The decrease in output of HPP by 116.6 mln.kWh was driven by the decrease in water inflow at the Moynak HPP and Kapchagai HPP, while the growth at the Shardara HPP is associated with the commissioning of hydraulic units No. 3.



Forecast for the future period:

The **volume of electricity production** in the forecast for 2021 is projected with a gradual increase in relation to the actual figure of 2020. The increase in electricity production in 2022 by 1,274.6 million kWh, mainly due to the growth in electricity production at “Ekibastuz SDPP-1” LLP.

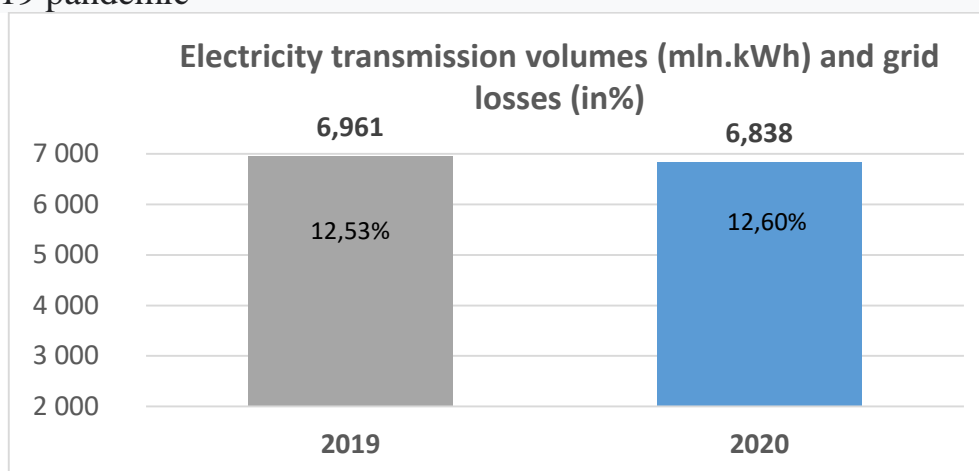
Heat production volumes in 2020 amounted to 5,818.7 thous.Gcal; it increased as compared to the volume of 2019 (an increase of 579.1 thous. Gcal or 11%) mainly due to the growth in heat production by 572 thous. Gcal or 11% at “Almaty Power Plants” JSC.



Forecast for the future period:

Heat production volumes in the plan for 2021 is expected to decrease by 4.1% against the actual figure of 2020 mainly due to the decline of heat production volumes at “Almaty Power Plants” JSC.

Electricity transmission volumes amounted to – 6,838 mln. kWh, decreased as compared to 2019 volumes (a 124 mln. kWh decrease). The decrease in the volume of electricity transmission at "Alatau Zharyk Company" JSC due to a decrease in consumption of the Almaty region due to the emergency situation in the country due to the COVID-19 pandemic



Forecast for the future period:

The **volume of transmission and distribution of electricity** in 2021 is expected to increase by 1% compared with the actual figure of 2020.

The **volume of electricity sales volume** at power supply organizations for the reporting period amounted to 6,056 mln. kWh, which is 163 mln.kWh or 3% lower than actual figure of 2019. Decrease due to the termination of the work of enterprises of the city and region during the period of the introduction of the state of emergency in the Republic of Kazakhstan from March 2020.

Description	Actual 2018	Actual 2018	Deviation	%
Number of consumers, incl.:	<u>844,234</u>	<u>869,680</u>	<u>25,546</u>	<u>103%</u>
<i>Population</i>	<u>811,295</u>	<u>835,509</u>	<u>24,214</u>	<u>103%</u>
<i>Corporate entities</i>	<u>32,939</u>	<u>34,171</u>	<u>1,332</u>	<u>104%</u>
Sales volume, mln.kWh	<u>6,218</u>	<u>6,056</u>	<u>-163</u>	<u>97%</u>

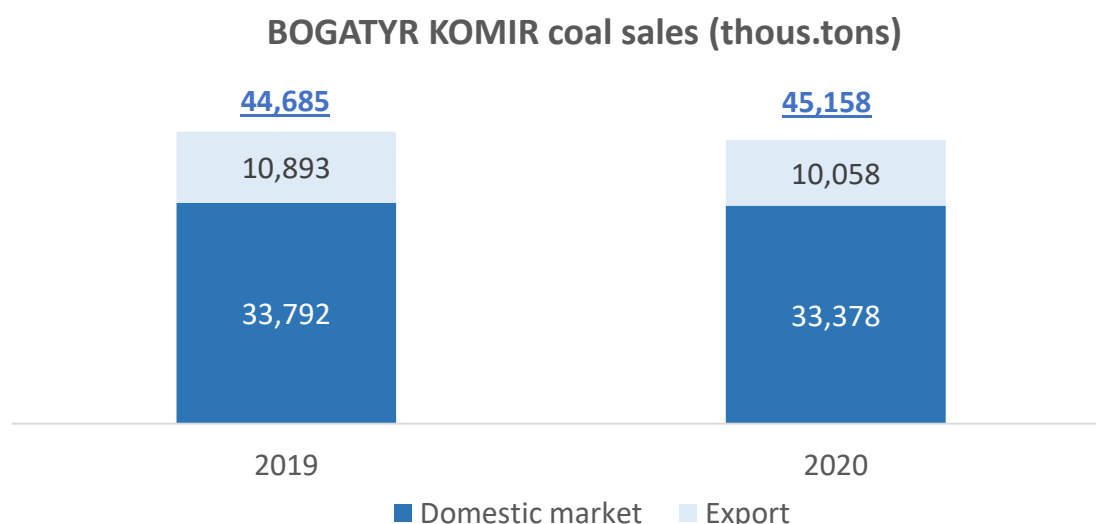
Forecast for the future period:

Electricity sales volume in the forecast for 2021 increases by 1% from the actual figure of 2020.

Following the results of 2020, **coal sales volume** amounted to 43,436 thous. tons, which is 3% or 1,249 thousand tons lower than in 2019.

The decrease in coal sales in the domestic market amounted to 414 thous. tons (1%), which is driven by the decline in demand of “Pavlodarenergo” JSC, “Ekibastuz SDPP-2” JCS and “SevKazEnergo” JCS.

The decrease in coal sales for export by 835 thous. tons or 8% is connected with a decrease in demand from Reftinskaya GRES.



Forecast for the future period:

Coal sales volume in the forecast for 2021 will decrease by 1,436 thous. tons or by 3% as compared to the actual figure of 2020 in connection with the implementation of the project for the construction of cyclic-flow technology facilities at the Bogatyr open-pit mine. In the forecast for 2022, coal sales will increase by 2% or by 1,000 thous. tons against 2021.

5. Key events during the reporting period

Date	Event
2020	In December 2019, news appeared for the first time from China about the outbreak of a new virus. On March 11, 2020, the World Health Organization declared an outbreak of a new type of coronavirus COVID-19 a pandemic. According to the decree of the President of the Republic of Kazakhstan dated March 15, 2020 No. 285 "On the introduction of a state of emergency in the

	<p>Republic of Kazakhstan", a state of emergency was introduced in the country for the period from March 16, 2020 to May 11, 2020. Most cities in Kazakhstan were quarantined, and most industrial enterprises were suspended from March 30 to May 11, 2020.</p> <p>In response to the pandemic, the Kazakh authorities are taking numerous measures to contain the spread and impact of COVID-19, such as travel bans, quarantines, restrictions on business activities, etc. These measures, among other things, severely restrict economic activity in Kazakhstan and have a negative impact and may continue to have a negative impact on business, market participants, customers of the Company, as well as on the Kazakhstan and global economy for an unknown period of time.</p> <p>At the same time, oil quotes collapsed on March 9, 2020 amid disagreements between OPEC members and other major oil-producing countries, the price of Brent crude in March 2020 fell below \$ 25 per barrel. The tenge has depreciated against the US dollar since the beginning of 2020 by approximately 10%.</p> <p>As of December 31, 2020, the price of Brent crude oil was \$ 51.80 per barrel, with a further projected increase in the price.</p> <p>At the current time, the situation is still developing. At the same time, there was no significant effect on the proceeds and supplies of the Company.</p> <p>The volume of electricity generation in the Group in 2020 amounted to 31.4 billion kWh, which is higher than the plan by 3% and the fact for the previous period by 4%. The main factor in the increase in the volume of generation compared to the last year is the growth of electricity consumption in the North and South of the Republic of Kazakhstan, by 2.3%. In addition, the Group's share in electricity generation in Kazakhstan in 2020 amounted to 29%, which is 2% higher than the indicator for the previous year.</p> <p>Revenue in 2020 amounted to 283 billion tenge, which is 16% higher than last year. The EBITDA of the Group amounted to 99.7 billion tenge, which is 21% higher than the fact of the previous year. The main driver of revenue and EBITDA growth compared to the previous year is the increase in electricity tariffs and production volumes.</p> <p>At the same time, the future effect is difficult to predict. The Company will continue to monitor the potential effect of the above events and take all necessary measures to prevent negative consequences for the business, for example, such as:</p> <ul style="list-style-type: none"> the consequences of downtime / quarantine due to the COVID-19 pandemic will lead to a slowdown in business activity in general, which may affect the financial performance of the Company in the future; within the framework of new agreements between OPEC members and other large oil-producing countries, Kazakhstan and Russia have undertaken obligations to reduce production; further devaluation of the tenge against the US dollar will negatively affect the financial results of the Company. <p>Along with this, the following event took place, which has a positive effect on the financial stability of the Company:</p> <p>Order of the Ministry of Energy of the Republic of Kazakhstan No. 205 of May 22, 2020 approved the methodology for determining the fixed profit accounted for in the electricity tariff with the entry into force from 2021, which will allow, in addition to fully covering the cost, to obtain profitability from the sale of electricity by EPO;</p>
January 01, 2020	<p>For subsidiaries and affiliates implementing large-scale investment programs with the attraction of borrowed funds in 2019, Investment agreements were</p>

	<p>concluded with the Ministry of Energy of the Republic of Kazakhstan and individual tariffs for capacity were approved.</p> <p>- For JSC "Almaty Power Plants" and JSC "Moynak HPP" tariffs were introduced from 01.01.2020, and for JSC "Shardara HPP" tariffs were introduced from 01.03.2020.</p>
January 30, 2020	<p>According to the Admission Rules, for consideration of investment programs (MOE Order No. 416 on November 28, 2017), in order to conclude an investment agreement for the project "Restoration of 500 MW Power Unit No. 1", ESDPP-1 sent a corresponding investment program to the Market Council for consideration. Received a positive recommendation from the Market Council for further consideration of the investment program in the authorized body</p>
May 21, 2020	<p>Amendments have been made to the order of the Minister of Energy of the Republic of Kazakhstan dated March 2, 2015 No. 164 "On approval of the Rules for the centralized purchase and sale by the financial settlement center of electrical energy produced by facilities for the use of renewable energy sources, recalculation and redistribution by the financial settlement center center of the corresponding share of electrical energy to qualified conditional consumer based on the results of the calendar year "(hereinafter - the Rules). The changes will allow renewable energy facilities to extend once the terms specified in subparagraphs 1) and 2) of paragraph 106 of the Rules for a period not exceeding 1 calendar year, according to the request of the Applicant (in any form), within the framework of excluding non-fulfillment of obligations to FSCs LLP.</p>
May 22, 2020	<p>By order of the Minister of Energy of the Republic of Kazakhstan dated May 22, 2020 No. 205, a new "Methodology for determining the fixed profit taken into account when approving the maximum tariffs for electricity, as well as the fixed profit for balancing taken into account when approving the maximum tariffs for balancing electricity" was approved. The methodology provides for a "transition period", during which the fixed profit is calculated based on the cost of generating electricity in 2019 and is set at 11.79%. A full transition to RAB-regulation will take place from 01.01.2021.</p>
June 17, 2020	<p>Changes were made to the order of the Minister of Energy of the Republic of Kazakhstan dated November 28, 2017 No. 416 "On approval of the Rules for admission to consideration, consideration and selection of investment programs ...", according to which the permissible volume of investments under investment agreements was increased from 10% to 30% (from 10 to 30 billion tenge), which contributes to the inflow of investments into the industry for modernization, expansion, reconstruction and (or) renewal of generating capacities.</p>
June 18, 2020	<p>The credit limit was increased to 38 billion tenge by concluding an additional agreement to the agreement on the provision of a credit line between LLP "ESDPP-1" and JSC "Halyk Bank of Kazakhstan"</p>
June 22, 2020	<p>JSC "Shardara HPP" received a letter of consent (waiver) from the European Bank for Reconstruction and Development to cancel the current liquidity ratio indefinitely.</p>
June 26, 2020	<p>The international rating agency Fitch Ratings has affirmed the Company's long-term credit ratings in foreign and national currencies at BB, Outlook Stable; short-term foreign currency credit rating at "B"; national long-term rating at "A + (kaz)", forecast "Stable". The agency also raised the credit rating of the Company on an independent basis from "B" to "B +", the priority unsecured ratings of the Company in foreign and national currency from "BB-" to "BB" and the national priority unsecured rating from "A- (kaz) "to" A + (kaz) ".</p>

June 29, 2020	<p>The Ministry of Energy of the Republic of Kazakhstan has published the maximum tariffs for electricity for stations with commissioning from 07/01/2020.</p> <p>For subsidiaries and dependent companies of JSC "ESDPP-2" and JSC "Almaty Power Stations" the tariffs were approved with an increase of 18%., For LLP "ESDPP-1" the tariff growth was 0.7%. For JSC "Moynak HPP" the tariff is kept at the current level. And for "Shardara HPP" JSC the tariff was reduced by 7.1%. Taking into account the growth of the maximum tariffs at the stations, subsidiaries and dependent companies - LLP "Almatyenergosbyt" 07/24/2020 submitted to DKREM a notification application for approval of an increase in the electricity tariff from September 1, 2020. The projected tariff is 19.38 tenge / kWh (with an increase to the current one by 13.2%).</p>
6 months of 2020	Following the results of 6 months of 2020, credit limits in second-tier banks in the group of companies of Samruk-Energy JSC in order to replenish working capital were increased by 10.0 billion tenge. The total amount of credit limits for 6 months of 2020 for the group of companies is 223.5 billion tenge, while the total amount of availability by credit limits is 157.7 billion tenge or 70.5%.
August 19, 2020	JSC "ESDPP-2", whose parity shareholders are JSC "Samruk-Kazyna" and JSC "Samruk-Energy", refinanced all liabilities in foreign currencies for a total amount of about 100 billion tenge. Thus, the station fully neutralized currency risks, freed up collateral, and optimized associated costs.
August 27, 2020	The credit line of "ESDPP-1" LLP in SB Sberbank of Russia JSC was extended until September 29, 2021.
October 14, 2020	Halyk Bank of Kazakhstan has lowered the interest rates of AZhK JSC from 12.75% to 12.5% per annum for an investment loan, transfer of part of the load to the newly built Otrar substation, as well as from 12.5% to 12.0% per annum for an investment loan Refinancing third bond issue
November 06, 2020	<p>Tariffs approved for AZhK by order of DKREM in Almaty from 06.11. No. 126-OD for the period from 2021 to 2025.</p> <p>2021 - 6.04 tenge/kWh; 2022 - 6.42 tenge/kWh; 2023 - 6.69 tenge/kWh; 2024 - 7.10 tenge/kWh; 2025 - 7.36 tenge/kWh</p>
November 18, 2020	On the trading floor of KOREM JSC, centralized auctions for electric capacity for 2021 were held. Following the auction results, Samruk-Energy JSC sold 2,768 MW, incl. Almaty Power Stations - 490 MW, ESDPP-2 - 625 MW, ESDPP-1 - 1653.91 MW.
December 03, 2020	According to the Rules for Admission to the Consideration of Investment Programs (Order of the Ministry of Energy of November 28, 2017 No. 416), the Ministry of Energy included in the list of power plants with which investment agreements will be concluded, ESDPP-1 with the project "Restoration of power unit No. 1 with a capacity of 500 MW".
December 07, 2020	The President signed the Law of the Republic of Kazakhstan "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Supporting the Use of Renewable Energy Sources and Electricity", which was developed to stimulate the construction of flexible capacities, establish an end-to-end tariff for supporting renewable energy sources, as well as to improve the current legislation of the Republic of Kazakhstan in the field of renewable energy
December 14, 2020	The Board of Directors has confirmed the financial stability of the Company by placing it in the "green" zone of credit risk.
12 months of 2020	The development of EDB borrowed funds in the amount of 43 million euros in order to finance the project Cyclical flow technologies of Bogatyr Komir LLP

and in the amount of 6.9 billion tenge in order to finance the project Construction of a wind farm 50 MW in the city of Ereymentau

6. The main directions of the company's development

Power industry is the basic infrastructure sector of the economy, which determines the efficiency of the production complex, the service sector, as well as the quality of life of the population of the Republic of Kazakhstan. The Company is faced with the task of creating a balanced development model that includes the optimal ratio of energy supply to domestic consumers and exports, combining high economic efficiency, innovative improvement and advanced standards of social responsibility. Based on this, the strategic mission of the Company is formed.

Mission: Create value for shareholders, meet growing demand through reliable supplies of energy resources, high-tech development, guided by the principles of financial sustainability.

Vision: An efficient high-tech operating energy company - leader in the energy sector of Kazakhstan.

Achieving the mission and vision of the company will be ensured through the implementation of three strategic goals, including:

- Ensuring reliable competitive energy supplies in the markets of presence.
- Increase the value of equity.
- Financial sustainability.

Based on strategic goals, initiatives and tasks have been formed.

Results of the implementation of the main strategic objectives

6.1. Increase sales of electricity and coal in the domestic and foreign markets

- The company provided delivery of 31.1 bln.tenge. electricity, exported 859 mln.kWh. The export was carried out to the Republic of Uzbekistan and Kyrgyzstan.
- 33.4 mln.tons of coal were sold in the market of Kazakhstan, the export of coal to Russia amounted to 10 mln.tons.

6.2. Improving company performance

For this task, a number of measures were implemented aimed at optimizing production costs, productive operation and repair of equipment, innovative development and effective implementation of investment programs, including:

- As part of measures to **reduce the level of electricity losses**, the ASKUE and SKADA project is being implemented
- **Innovative development.** Within the framework of the project "Technologies of furnaces of boilers for burning high-ash coals of the Ekibastuz deposit (R&D)", experimental studies were carried out on the combustion of high-ash Ekibastuz coal and its enrichment waste at an integrated installation of a fluidized bed and a circulating fluidized bed. The data obtained confirming the possibility of efficient combustion. Technical proposals for the concept of industrial and power boilers have been developed.
- **Digitalization.** Implementation of the projects "Digital Power Station" and "Digital Cut".

- **Improving financial stability.** All financial covenants of the Company's creditors are fulfilled. The international agency Fitch has affirmed the Company's long-term ratings at BB with a Stable Outlook, and has also raised its standalone rating from B to B +.

- **Implementation of the Transformation program.** All planned activities on the Roadmap for the implementation of the Digital Transformation Program were completed on time.

6.3. Effective implementation of the investment program. The company strives for efficient implementation of the investment program and compliance with the required level of return on equity. The most important projects currently being implemented with medium-term implementation horizons are “Expansion and reconstruction of the capacities of Ekibastuz SDPP-1 (Reconstruction of unit No. 1)”, “Expansion and reconstruction of Ekibastuz SDPP-2 with the installation of power unit No. 3”, “Implementation of the project for the transition to a cyclic-flow technology for the extraction, transportation, averaging and loading of coal at the Bogatyr open-pit mine”, “Construction of the 50 MW Ereymentau wind farm”, “Construction of a 60 MW wind farm in the area of the Shelek village in the Almaty Region”.

6.4. Effective interaction with stakeholders. An integrated annual report on the results of the activities of Samruk-Energy JSC for 2019 was published. A lot of work is being done with the media.

6.5. Improving the efficiency of corporate governance. The plan to improve corporate governance is being successfully implemented.

6.6. Human capital development. The following activities are being implemented: Leadership development; Development of corporate culture; Development of HR competencies.

7. Principles of accounting policy

The Company's operations power and coal sectors were carried out in accordance with the approved plans.

For the purposes of a single approach to preparing a report on business and financial performance, “Samruk-Energy” JSC group of companies uses the equity method in consolidation. In addition, in accordance with existing accounting policies, fixed assets and intangible assets are reported at initial cost, that is, without taking into account revaluation. Subsidiaries are included in the consolidated financial statements using the acquisition method. Acquired identifiable assets, as well as liabilities and contingent liabilities received at a business combination are stated at fair value at the date of acquisition, irrespective of the amount of the non-controlling interest.

Based on the foregoing, when using the equity method in the consolidated balance sheet, turnovers of such large companies as “Ekibastuz SDPP-2 Plant” JSC, coal assets company ForumMuiderB.V., 50% of interest of which belong to “Samruk-Energy” JSC were excluded

When forming the consolidated financial result of Samruk-Energy, the share of profit on these companies is presented in the item "share of profit / loss of organizations accounted for using the equity method and impairment of investments".

8. Financial and economic indicators

№	Indicator, mln.tenge	2018 (actual)	2019 (actual)	2020 (actual)	2020 (forecast)	2021 (forecast)
1	Income from sales of goods and services delivered	260,400	243,722	283,010	321,775	389,336
1.1.	Electricity production	185,355	169,369	207,917	235,138	294,007
1.2.	Sale of electricity by energy supplying organizations	96,955	100,171	106,911	122,925	136,896
1.3.	Heat production	21,674	16,781	19,202	18,124	20,518
1.4.	Transmission and distribution of electricity	40,020	38,028	40,685	45,339	49,035
1.5.	Sale of chemically purified water	1,824	1,515	1,626	1,744	1,797
1.6.	Lease	3,542	3,925	4,041	3,778	3,779
1.7.	other	1,597	2,555	3,181	4,005	5,678
2	Cost of goods sold	(188,356)	(195,891)	(225,185)	(258,257)	(277,718)
2.1.	Cost of electricity production	(129,110)	(130,934)	(156,182)	(179,822)	(197,127)
2.2.	Cost of electricity sales by energy supplying organizations	(95,938)	(101,280)	(111,195)	(124,062)	(135,831)
2.3.	Cost of heat production	(20,023)	(16,338)	(18,804)	(19,558)	(20,337)
2.4.	Cost of electricity transmission	(30,068)	(32,543)	(54,365)	(39,756)	(42,579)
2.5.	Cost of sale of chemically purified water	(1,736)	(1,356)	(1,679)	(1,917)	(1,913)
2.6.	Cost of other types of core business	(640)	(832)	(946)	(1,124)	(1065)
	<i>Amortization of fixed and intangible assets</i>	<i>(52,364)</i>	<i>(54,223)</i>	<i>(57,331)</i>	<i>(60,354)</i>	<i>(65,898)</i>
3	Gross profit	72,044	47,832	57,826	63,518	111,618
4	Financing income ⁽¹⁾	2,333	2,377	2,916	534	421
5	Other income	5,347	5,376	4,637	282	261
6	Expenses for sale of products and services	(14,340)	(7,999)	(10,202)	(12,467)	(10,458)
7	General administrative expenses	(13,018)	(12,710)	(15,826)	(13,532)	(13,498)
8	Operating profit	44,686	27,123	31,798	37,518	87,662
9	Earnings before amortization, interest and CIT (EBITDA)	97,825	82,487	99,728	108,446	170,443
10	Finance costs ^{(2) (3)}	(33,129)	(32,319)	(31,025)	(32,327)	(32,370)
11	Other expenses from non-core operations ⁽⁴⁾	(16,549)	(1,920)	(4,061)	(95)	(98)
12	Share of profit / loss of organizations accounted for using the equity method and investments impairment	9,752	11,191	9,474	9,660	15,956
13	Profit (loss) from discontinued operations	-1,584	0	0	0	0
	Profit (loss) from disposal of subsidiaries	287	0	0	0	0
14	Profit (loss) before tax	11,143	11,829	13,739	15,572	71,834
15	Corporate income tax expenses	(7,718)	(4,717)	(5,655)	(4,671)	(14,707)
16	Total profit before minority interest	3,425	7,111	8,083	10,901	57,127
17	Minority interest	184	276	76	297	297
18	Total profit attributable to the Group's Shareholders	3,241	6,835	8,008	10,604	56,829

(1) in FS forex gains for 2018 were reported in "other income" section

(2) in FS forex loss for 2018 was reported in "finance costs" section

(3) in FS forex gain for 2019 was reported in "financial income" section

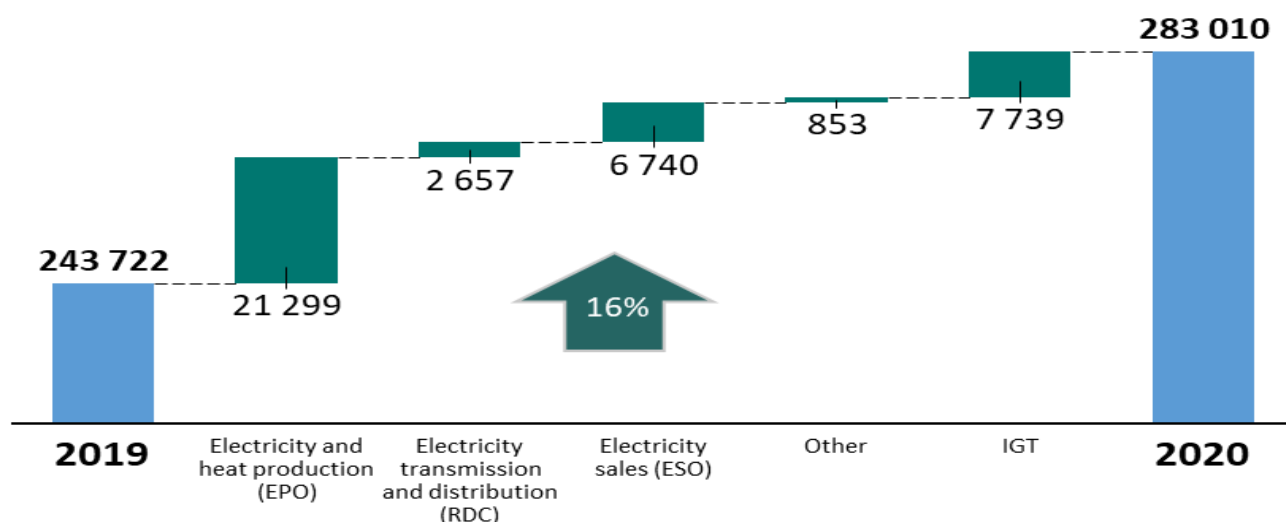
(4) in FS forex gain for 2020 was reported in “other income” section

(5) in FS forex loss for 2020 was reported in “financial costs” section

(6) in FS impairment loss (NET) was recognized in “other expenses” item

Note: interpretation of income and cogs was presented with a breakdown by types of activities (not by segments) and was mentioned without elimination.

Revenues from sales of products and services provided across “Samruk-Energy” JSC group of Companies in 2020 amounted to 283,010 mln.tenge:



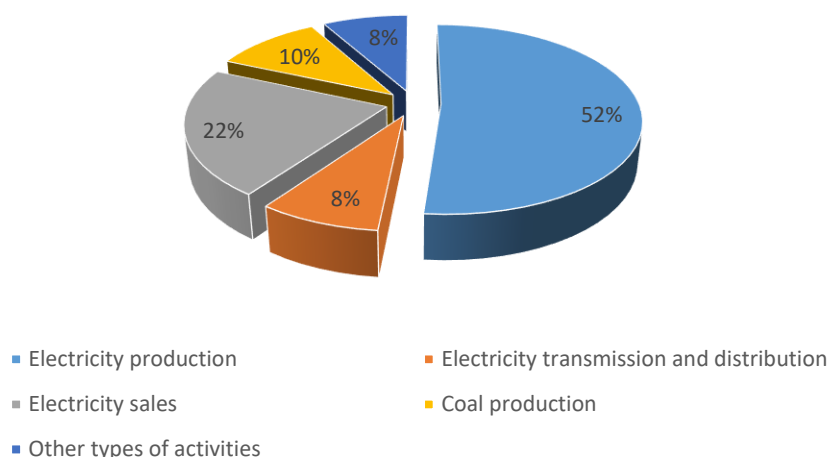
Consolidated revenue increased in the electricity production segment due to the growth of tariffs and volumes of electricity sales. The main increase was made by “Almaty Power Plants’ JCS due to the growth of tariff for electricity, also by “Ekibastuz SDPP-1” LLP due to the increase in electricity sales volumes by 1,466 mln kWh.

The increase in revenue for electricity transmission is associated with a growth in the tariff for electricity transmission of “Alatau Zharyk Kompany” JSC from 5.46 tenge/kWh to 5.95 tenge/kWh.

In the sales segment, revenue growth is associated with a growth in the electricity sales of “AlmatyEnergoSbyt” LLP from 16.11 tenge/kWh to 17.66 tenge/kWh.

Structure of 2020 income by main types of activity

Structure of 2020 income by main types of activity



Forecast for future period: in the forecast for 2021, revenue from sales is planned at 321,775 mln. tenge, which is 38,765 mln. tenge or 14% higher than 2020 actual figure. The increase was caused by growth of tariff for electricity transmission and production of electricity and also by growth of electricity sales volumes.

Revenue increases in the forecast for 2022 compared to the forecast for 2021, this is because of growth of revenues from electricity production mainly owing to “Ekibastuz SDPP-1” LLP. Also, the growth in revenues from electricity transmission and sales are expected because of an increase in volumes and tariffs.

Revenues from sales of products and services rendered detailed per producer

Indicator, mln.tenge	2018 (actual)	2019 (actual)	2020 (actual)	2021 (forecast)	2022 (forecast)
Income from sales of products and services rendered	260,400	243,722	283,010	321,775	389,336
“ESDPP-1” LLP	125,598	108,017	123,478	142,526	192,854
“AlmatyEnergoSbyt” LLP	96,955	100,171	106,911	122,925	136,896
“Almaty Power Plants” JSC	65,542	64,047	74,481	79,768	86,198
“Alatau Zharyk Company” JSC	40,258	38,167	40,819	45,440	49,139
“Moynak HPP” JSC	10,217	9,883	20,520	20,863	20,819
“FWPP” LLP ⁰	4,460	4,592	6,761	8,405	9,657
“Shardarinsk HPP” JSC	3,318	2,279	5,031	5,514	5,734
“Bukhtarminsk HPP” JSC	3,541	3,924	4,040	3,778	3,779
"Ereymentau Wind Power" LLP					4,827
Energy Solution center	937	1,105	1,287	1,457	1,407
“Green Energy” LLP	141	158	236	377	399
Intercompany turnover (elimination)	-90,566	-88,621	-100,554	-109,278	-122,372

The major share in the Company's operating income comes from “Ekibastuz SDPP -1” LLP, “Almaty Power Plants” JSC, “Alatau Zharyk Company” JSC, “AlmatyEnergoSbyt” LLP. At the same time, at consolidation of revenues, intercompany turnover mainly in respect of energy producing and distribution companies is excluded from total amount.

Cost of goods and services

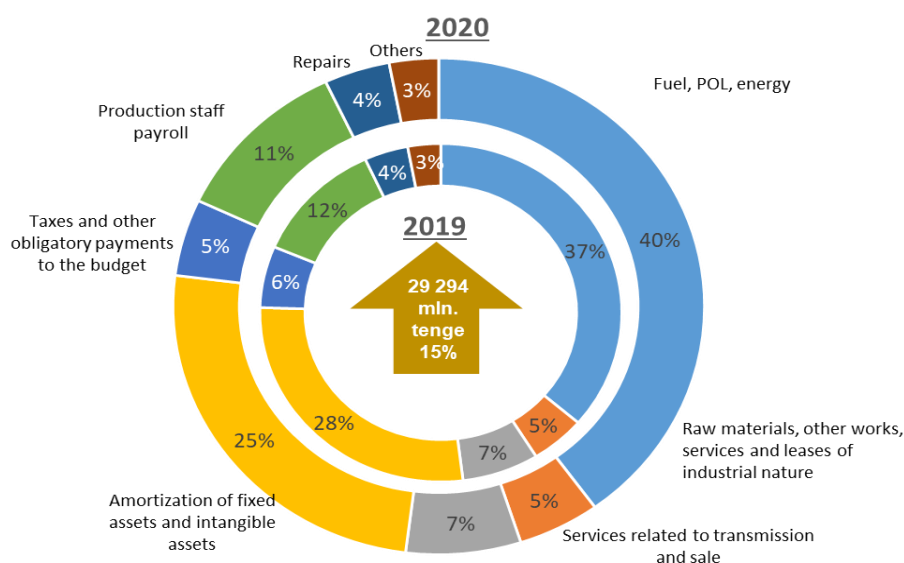
Indicator, mln.tenge	2018 (actual)	2019 (actual)	2020 (actual)	2021 (forecast)	2022 (forecast)
Fuel	56,768	52,340	59,109	61,957	69,252
Remuneration of labor and related expenses	25,231	26,775	29,394	31,040	32,326
Cost of purchased electricity	10,178	13,673	22,865	39,442	40,458
Maintaining the availability of electric capacity		7,692	10,094	9,725	10,003
Depreciation of property, plant and equipment and amortization of intangible assets	52,364	54,227	57,331	60,354	65,898
Maintenance & repair	6,344	6,879	8,520	10,860	11,469

Services for electricity transmission and other services	10,019	10,331	11,494	11,664	12,099
Materials	1,773	1,844	1,713	2,071	2,311
Water supply	4,664	3,962	4,847	5,799	6,436
Grid losses	193	193	2	4	4
Taxes other than income tax	4,876	4,586	4,589	5,717	6,431
Emission charges	4,036	4,338	4,731	5,208	5,413
Outsourced services	8,219	5,383	6,003	10,984	12,066
Other	3,690	3,668	4,492	3,433	3,552
TOTAL	188,356	195,891	225,185	258,257	277,718

(1) (2) in FS emission charges for 2018-2020 were recorded “Taxes other than income tax” item

According to results of 2020, **Cost of goods sold** amounted to 225,185 mln.tenge, which is 15% higher than 2019 actual figure. The increase in costs is mainly due to the increase in coal costs (increase in the price of coal and production volumes) and the cost of purchased electricity from RFC RES LLP (increase in tariffs and purchase volumes). There is also an increase in expenses due to the growth in prices for goods and services, and an increase in depreciation (mainly at Ekibastuz SDPP -1, LLP).

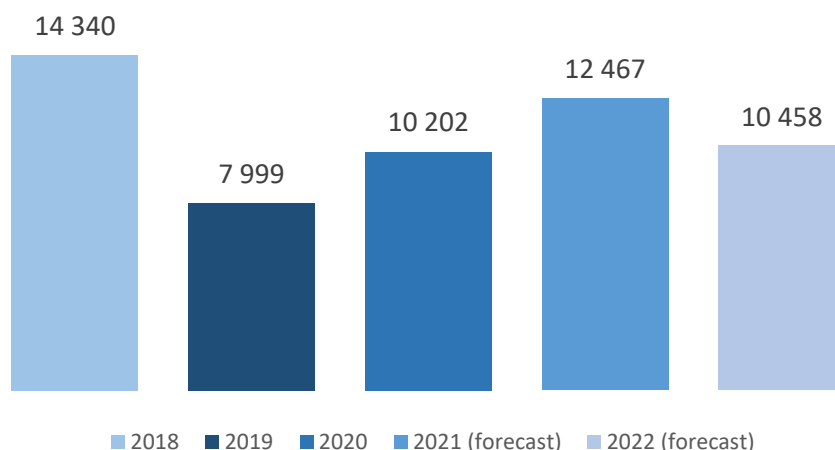
The structure of cost of goods sold by main types of activity



Forecast for the future period: in the forecast for 2021, cost increases due to an increase in production and sales, as well as due to an increase in prices for goods and services. The increase in expenses in the forecast for 2022 is due to higher prices for goods and services.

Sales costs, mln.tenge

Sales costs in 2020 increased by 2,203 mln. tenge compared with 2019 and amounted to 10,202 mln. tenge. This deviation is caused by the increase in prices for the services of KEGOC, JCS.

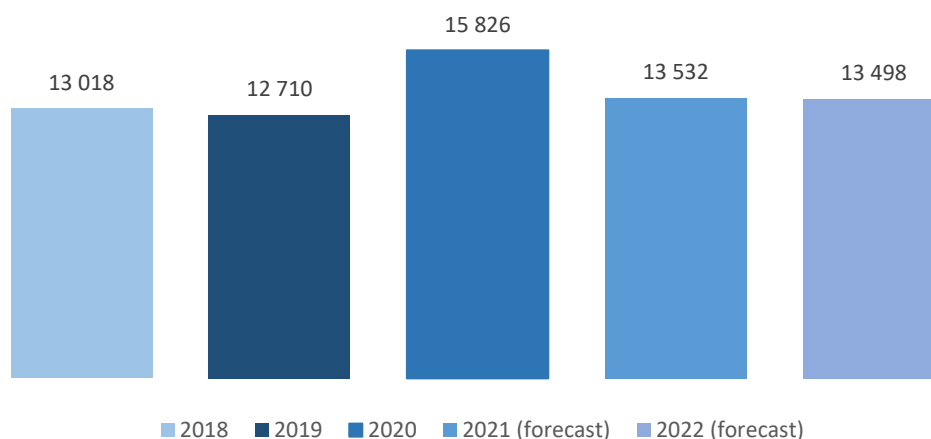


In the forecast for 2021, the increase in sales costs in comparison with the fact of 2020 is 22% due to an increase in electricity exports from 859 mln. kWh to 1,500 mln.kWh.

Administrative expenses, mln. tenge

At the end of 2020, administrative expenses amounted to 15,826 mln. tenge, which is 3,116 mln. tenge or 25% higher in comparison with the same period in 2019. The increase is mainly due to additional taxes on VAT and the accrual of penalties for “BHPP”, JCS as a result of a comprehensive audit by the Department of State Revenues in East Kazakhstan for the period from 01.01.2014. until 31.12.2018

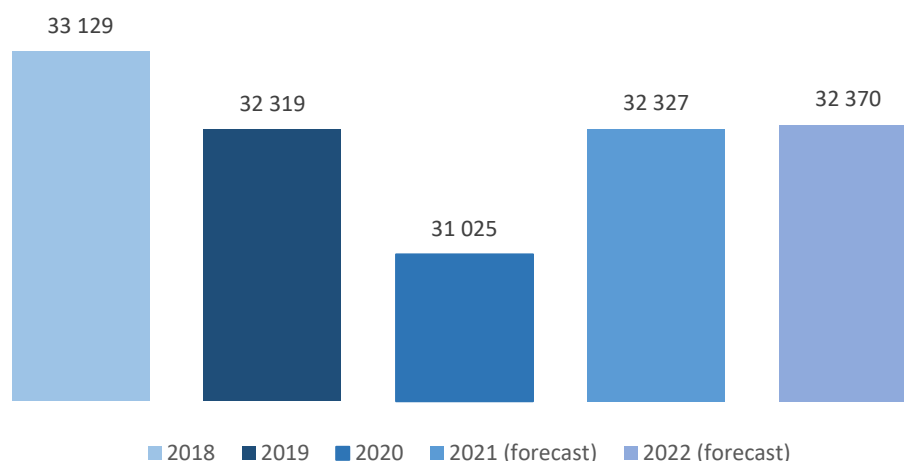
At the same time, the decrease in the costs of the UAR, excluding the costs of the BHPP, amounted to 1% (143 million tenge)



Forecast for the future period: Administrative expenses in the forecast for 2021 are lower than in 2020 and amount to 13,532 mln. tenge. The decrease is mainly due to lower tax expenses.

Finance costs, mln.tenge

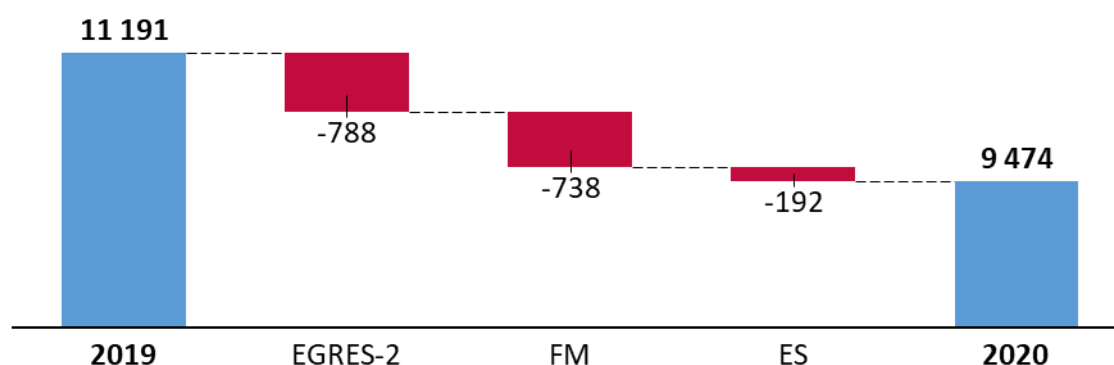
According to 2020 results, finance costs amounted to 31,025 mln. tenge, which is 1,294 mln. tenge lower than 2019 actual figure. Finance costs decreased mainly due to mainly due to reduction of interest expenses in connection with long-term loan repayments.



Forecast for the future period: in the forecast for 2020-2021, financing costs increase due to additional borrowings from subsidiaries and affiliates in order to replenish working capital.

Share of profits of joint ventures and associates and impairment of investments

Indicator mln.tenge	2018 (actual)	2019 (actual)	2020 (actual)	2021 (forecast)	2022 (forecast)
Share of profits of joint ventures and associates	9,752	11,191	9,474	9,670	15,956



Share income for 2020 amounted to 9,474 mln.tenge, a decrease of 1,718 mln.tenge compared to the same period.

The main changes occurred with respect to the following assets:

"Ekibastuz SDPP-2 Plant" JSC – increase in loss by (788) mln.tenge in comparison with the previous year was caused because of the below factors:

- increase in financing costs by (795) mln.tenge.
- increase in expenses on exchange rate differences in the amount of (366) mln.tenge.

Forum Muider – a decrease in profit by 738 mln.tenge was mainly driven by the decrease of coal sales volumes at “Bogatyr-Komir” LLP by 1,249 thous.tons (3%).

In the forecast for 2020, the share of profit is 9,670 mln. tenge, 15,956 mln. tenge in 2021.

9. Created and distributed economic value

Economic performance of the Company is shown in created and distributed economic value table.

The created economic value present the main sources of the Company's income, namely, income from electricity production, transmission and sale, as well as from the sale of coal and obtained remuneration.

The created value is distributed between suppliers and contractors, employees of the Company, shareholders and lenders, the state, as well as local communities.

<i>Distributed economic value</i>	
<i>Payments to suppliers and contractors</i>	<i>Operating expenses – payments to counterparties for materials, product components, equipment and services, rental payments</i>
<i>Payments to employees</i>	<i>Payroll, social taxes and contributions, pension and insurance payments, expenses for medical services for employees and other forms of employee support</i>
<i>Payments to capital suppliers</i>	<i>Dividends to all categories shareholders and interest paid to lenders</i>
<i>Payments to the Government</i>	<i>Tax payments</i>
<i>Investments to local communities</i>	<i>Donations to charitable and non-governmental organizations and research institutions, expenses for supporting public infrastructure, as well as direct funding for social programs, cultural and educational activities</i>

According to results of 2020, the created economic value amounted to 382 bln. tenge and the distributed economic value amounted to 313 bln. tenge, as a result, the undistributed economic value amounted to 69 bln. tenge. According to the approved Development Plan for 2021-2025, the created and distributed economic value is planned to be increased in 2021 and 2022.

Indicator*	mln.tenge				
	2018	2019	2020	2021	2022
	Actual	Actual	Actual	Forecast	Forecast
Created economic value	352,681	337,794	382,199	447,167	523,658
Sales proceeds	351,100	336,233	380,990	446,568	523,369
Interest received	1,581	1,561	1,209	599	289
Distributed economic value	272,860	275,649	312,894	361,369	374,656
Payments to suppliers and contractors	161,571	161,556	194,357	239,696	252,203
Payments to employees	37,210	39,589	43,700	44,554	46,452
Payments to capital suppliers	34,047	32,369	32,571	33,984	30,645
Payments to the government	39,617	41,882	42,152	42,994	45,221
Undistributed economic value	79,822	62,145	69,305	85,798	149,002

* - Previously indicators were calculated on an accrual basis. In order to exclude non-cash transactions and depreciation, current indicators were calculated using the data of the cash flow statement. Ownership interests in joint ventures were taken into account in the figures.

10. State tariff regulation of the company's activities

Weighted average tariffs for electricity generation

#	Description	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
1	“Ekibastuz SDPP-1” LLP	6.85	6.07	6.44	7.67	9.87
	Export tariff, tenge/kWh	5.18	9.64	10.22	10.75	10.75
	RK tariff, tenge/kWh	7.28	5.87	5.86	7.39	9.84
	Electricity tariff, kWh, tenge/kWh		5.65	5.65	6.63	8.98
	Capacity tariff, thous.tenge/MW*month		590	590	590	614
2	“Ekibastuz SDPP-2 Plant” JSC	7.53	8.70	9.64	9.91	9.95
	Electricity tariff, tenge/kWh		7.42	8.55	9.13	9.13
	Capacity tariff, thous.tenge/MW*month		590	590	590	614
3	“Almaty Power Plants” JSC	8.60	9.66	11.41	12.54	13.40
	Electricity tariff, tenge/kWh		8.43	9.45	10.66	11.65
	Averageweight capacity tariff, thous.tenge/MW*month			875	883	820
	Capacity tariff, thous.tenge/MW*month		590	590	590	614
	Individual capacity tariff, thous.tenge/MW*month			4,169	4,169	3,139
4	“Shardara HPP” JSC	9.50	4.86	12.95	13.81	15.87
	Electricity tariff, tenge/kWh.		4.23	8.49	9.15	11.21
	Capacity tariff, thous.tenge/MW*month		590	4,069	3,868	3,868
5	“Moynak HPP” JSC	9.51	10.02	21.33	21.88	21.94
	Electricity tariff, tenge/kWh		7.93	12.02	12.02	12.02
	Capacity tariff, thous.tenge/MW*month		590	2,564	2,564	2,564
6	“Samruk-Green Energy” LLP , tenge/kWh	45.11	48.54	32.73	18.88	20.00
7	“First Wind Power Plant” LLP , tenge/kWh	28.31	30.03	31.62	33.20	34.53
8	«Ereymenau Wind Power» LLP, tenge/kWh					22.68
9	“Energiya Semirechiya”, LLP, tenge/kWh				22.68	23.59

The following tariffs were in effect during the reporting period:

From January 1, 2019, the electric capacity market began to function in the Republic of Kazakhstan. The income received by electricity producers is divided into two components - income from the sale of electricity (allocated to cover current expenses) and income from the provision of services to maintain readiness of electricity capacity (allocated to repay the main debt and investments). The unified marginal tariff for the service of maintaining the availability of electric capacity for all EPOs in the amount of 590 thous.tenge /MW*month was approved. Electricity tariffs approved for the period 2019-2025. However, the approved tariffs do not provide for profitability and indexation by year. Moreover, according to paragraph 2 of Article 12-1 of the Law of the Republic of Kazakhstan “On the Electric Power Industry”, if necessary, electricity tariffs are adjusted annually.

With the introduction of the capacity market, the weighted average tariffs for electricity in 2020 for stations increased, taking into account the commissioning adjusted tariff caps and the introduction of individual capacity tariffs from July 1, 2020.

In connection with the approval of the Ministry of Energy of the Republic of Kazakhstan of deficit tariffs for stations, in accordance with the Regulations, the EPO submitted applications to the Ministry of Energy of the Republic of Kazakhstan for adjusting the ceiling tariffs for electricity. As a result, from July 1, 2020. The Ministry of

Energy of the Republic of Kazakhstan approved the following maximum electricity tariffs.

For “Ekibastuz SDPP-1” LLP, the tariff was maintained at the level of 2020 - 5.80 tenge/kWh. A significant increase in tariffs for the “Ekibastuz SDPP-2” JCS and “Almaty Power Plants” JCS as made in the amount of 18.4% and 18.4%, respectively, due to an increase in costs. For “Moynak HPP”, JCS, the tariff has been kept at the current level. The tariff for “Shardara HPP”, JCS was reduced by 7.1% and amounted to 8.10 tenge / kWh. (at the previously approved tariff of 8.72 tenge / kWh).

EPO name	Approved by ME RK		tenge/kWh	
	Dev		(+, -)	in %
	From October 01, 2019	From July 01, 2020		
“Ekibastuz SDPP-1” LLP	5.76	5.80	0.04	0.7%
“Ekibastuz SDPP-2” JCS	7.73	9.13	1.4	18.1%
“Almaty Power Plant” JCS	8.70	10.30	1.6	18.4%
“Moynak HPP” JCS	12.02	12.02	0	0%
“Shardara HPP” JCS	8.72	8.10	-0.62	-7.1%

For 2020 work has been carried out with the Ministry of Energy of the Republic of Kazakhstan on the approval of investment tariffs for stations implementing large-scale investment projects – “Moynak HPP” JCS, “Shardara HPP” JCS and “Almaty Power Plant” JCS.

thous.tenge/MW*month			
EPO name	Volume	Individual tariff	Period
“Almaty Power Plant” JCS	69.5 MW	4,168.60	2020-2024
“Moynak HPP” JCS	298 MW	2,563.67	2020-2026
“Shardara HPP” JCS	61 MW	4,069.3	2020-2028

On 01/30/2020 an application by “Ekibastuz SDPP-1” LLP was submitted to the Market Council (KEA) for the approval of an individual tariff for the implementation of the project “Restoration of power unit No. 1 with the installation of new electrostatic precipitators.

On 02/28/2021 “Ekibastuz SDPP-1” LLP concluded an investment agreement with the Ministry of Energy of the Republic of Kazakhstan for modernization, reconstruction, expansion and renewal for the Restoration of power unit No. 1 with a tariff setting of 1,199 thousand tenge/MW*month for the period 2025-2031 based on the volume of services 476.6 MW.

01/26/2021 an application by “Ekibastuz SDPP-2” JCS was submitted to the Market Council (KEA) for the approval of an individual tariff for the implementation of the project “Expansion and reconstruction of EPS-2 with the installation of power unit No. 3”. After receiving the approval of the Market Council, the application will be sent for consideration to the Ministry of Economy of the Republic of Kazakhstan.

From 2021 onward, electricity and capacity tariffs are projected taking into account the consumer price index.

Tariffs for the supply of electrical energy produced by facilities for the use of renewable energy sources are fixed and approved by the Government of the Republic of Kazakhstan, depending on the renewable energy technology (separately for wind, solar and other sources) and are subject to annual indexation.

Tariffs for heat production

tenge/Gcal					
Company name	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
“Almaty Power Plants” JSC	3,917	3,354	3,441	3,467	3,929
“Ekibastuz SDPP-2 Plant” JSC	816	809	697	867	902
“Ekibastuz SDPP-1” LLP	446	572	367	496	496

The legislation envisages the approval of long-term (5+ years) ceiling tariff levels for organizations producing heat, with the inclusion of the investment component and annual cost indexation. The Committee for the Regulation of Natural Monopolies and the Protection of Competition approves ceiling tariffs. However, an increase in tariffs is made no more than once a year and there are risks that tariffs remain unincreased in case a power plant’s costs grow for objective reasons.

Tariffs for electricity transmission services

tenge/kWh					
Company name	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
“Alatau Zharyk Company” JSC	5.89	5.46	5.95	6.04	6.42

For "Alatau Zharyk Company", JSC which is also a subject of a natural monopoly, maximum long-term tariffs have been approved on the basis of tariff estimates with the inclusion of an investment component for 2016-2020. for regional energy transmission companies (RECs), if necessary, are adjusted by the authorized body.

In July 2020. AZHK submitted an application and order of DKREM in Almaty dated 06.11. No. 126-OD approved the maximum long-term tariffs for the period from 2021 to 2025.

Period	2021	2022	2023	2024	2025
Approved tariff	6.04	6.42	6.69	7.10	7.36

The increase (adjustment) of tariffs is made no more than once a year, in cases of growth in the costs of RES for objective reasons (acceptance of ownerless networks and equipment on the balance sheet, etc.). There are also risks of maintaining tariffs without increasing.

Tariffs for selling electricity by ESO

tenge/kWh					
Company name	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
“AlmatyEnergoSbyt” LLP	16.42	16.11	17.66	20.15	22.42

The energy supply company “AlmatyEnergoSbyt” LLP is a subject of a socially significant market and is also subject to regulation by the authorized body. The tariff

calculation includes operating, financial and investment components. There are risks of artificial containment of tariff growth by the Regulator in order to maintain social stability of the population in the regions. For ESO, differentiation is maintained for individuals according to consumption norms, for legal entities, electricity is supplied at average selling rates.

Coal sale price

tenge/tons

Company name	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
“Bogatyr Komir” LLP	2,013	2,120	2,311	2,348	2,587

Coal mining tariffs of “Bogatyr Komir” LLP are approved independently by a price list for the RK consumers for 3 consumer groups (power sector at KTZh connecting station, power sector at the coal collecting station, public utility needs). Regulation is performed on the basis of the Entrepreneur Code of CRNM PC under MNE.

11. Achievement of strategic KPI

No.	Description	2018 actual	2019 actual	2020 actual	2021 forecast	2022 forecast
1	Net income, mln.tenge	3,241	6,835	8,008	10,604	56,829
2	Debt/EBITDA (ratio)	3.18	3.31	2.67	3.23	1.90
3	ROACE, %	2.99%	3.43%	3.60%	3.98	9.53
4	NAV, mln.tenge	385,304	392,073	400,623	403,255	460,084
5	Corporate governance rating	BB	-		BBB	
6	Electricity market share in the Republic of Kazakhstan	29.7%	28.5%	29.0%	28.4%	28.8%
7	LTIFR*	0.28	0.33	0.27	0.36	0.33

* was included into the list of Strategic KPI from 2019

In general, the Company's strategic indicators tend to improve from 2018 to 2022. An increase in sales of electricity and capacity in the domestic market, obtaining individual capacity tariffs, reducing unit consumption of fuel and water for process needs, optimizing the cost of energy efficiency, as well as reducing debt load are the main growth drivers.

12. Analysis of capital expenditures

No.	“Samruk Energy” JSC group of companies	2018	2019	2020	2021	2022
		Actual	Actual	Actual	Forecast	Forecast
	Total	41,689	50,364	73,232	127,393	126,110
1	Investment projects, including	8,075	14,985	40,718	78,233	89,590
1.1	Rehabilitation of Power unit#1 with installation of new ESP	2,156	4,953	1,890	22,384	35,009

No.	“Samruk Energy” JSC group of companies	2018	2019	2020	2021	2022
		Actual	Actual	Actual	Forecast	Forecast
1.2	Expansion and reconstruction of Ekibastuz SDPP-2 with installation of power unit No. 2 (50%)	-	-	8,322	14,527	43,955
1.3	Transition to cycle-flow method of mining, transportation, blending and loading of coal at the "Bogatyr" open-pit coal mine (50%)	113	553	25,504	14,553	6,665
1.4	Construction of the substation "Kokozek"	-	-	20	1,000	1,911
1.5	Reconstruction of SS-220/110/10kV No. 7 AHBK	-	-	-	261	500
1.6	Modernization of Shardara HPP	4,482	5,059	1,134	-	-
1.7	Reconstruction of the heating main of Almaty CHPP-2	-	-	35	116	233
1.8	Modernization of CHP-3 with minimization of environmental impact. Feasibility study development and examination	-	-	-	358	-
1.9	Construction of a wind farm with a capacity of 5 MW in the area of Shelek, Almaty region	45	1	2,254	-	-
1.10	Construction of a wind power station in the Shelek corridor with a capacity of 60 MW with the prospect of expanding to 300 MW	-	3,917	11	4,898	-
1.11	Construction of 50 MW Ereymentau WPP (2nd stage)	21	200	913	18,890	-
1.12	Construction of a gas turbine power plant based on Pridorozhnoe gas field	758	91	52	976	659
1.13	Other projects	500	209	583	271	659
2	Maintenance of production assets	31,534	34,596	31,787	45,012	36,017
2.1	“Bogatyr Komir” LLP (50%)	4 242	7 658	5,547	7,982	6,767
2.2	“ESDPP-2 Plant” JSC (50%)	439	798	1,050	2,074	1,183
2.3	“ESDPP-1” LLP	10 238	7 711	6,187	15,868	13,754
2.4	“Alatau Zharyk Company” JSC	11 501	11 124	12,646	10,386	8,187
2.5	“Almaty Power Plants” JSC	4 411	6 991	5,616	7,682	3,726
2.6	“Moynak HPP” JSC	369	168	307	500	2,134
2.7	“Shardara HPP” JSC	251	38	6	10	10
2.8	“AlmatyEnergoSbyt” LLP	75	75	94	89	64
2.9	“Samruk-Green Energy» LLP	1	0,5	3	28	15
2.10	“First Wind Power Plant” LLP	8	33	332	391	133
2.11	“Ereymentau Wind Power’ LLP	-	-	-	-	45
3	Maintenance of administrative assets	1 307	592	690	2,241	503
4	Other	773	191	38	1,907	-

Projects implemented in 2018

On December 22, 2018, the load transfer from Substation “Gorny Gigant” to substation “Yermansay” via 110 kV networks was completed. The objectives of the

project have been achieved. Dismantling of the Substation “Gorny Giant” will be carried out after autumn-winter period in 2019.

On November 30, 2018, a solemn opening ceremony of a 1 MWt solar power station was held on the territory of the Special Economical Zone “Industrial technology park “Alatau” in Almaty and a 5 MW wind farm in the area of Nurly, Almaty region, built under the Agreement between the Government of the Republic of Kazakhstan and the Government of the People’s Republic of China on technical assistance as gratuitous assistance to the Government of the Republic of Kazakhstan by the Government of the People’s Republic of China.

Projects implemented in 2019

In 2019, a 416 kW solar power station was commissioned in Kapshagai. A solar power plant with a capacity of 416 kW in the city of Kapshagai was built using photovoltaic modules based on Kazakhstan silicon manufactured by Astana Solar.

Projects implemented in 2020

In 2020, work was completed on the project "Modernization of the Shardara HPP". The installed capacity of the station was increased to 126 MW.

Projects to be completed by 2021

It is planned to complete the construction of a wind power station in the area of Ereymentau with a capacity of 50 MW. The implementation of the project will allow additional production of more than 215 million kWh of electricity per year. Also, it is planned to complete the project "Construction of a wind farm in the Shelek corridor with a capacity of 60 MW with the prospect of expanding to 300 MW".

13. Liquidity and financial sustainability indicators

Fulfillment of external lenders’ covenants:

Covenant	Standard	2019 Actual	2020 Actual	Note
Debt/EBITDA (EBRD, HBK)	No more than 3,5	3.31	2.96	<i>Is met</i>
EBITDA/interest (EBRD)	No less than 3	3.34	3.76	<i>Is met</i>
Debt/Equity (EDB and KDB)	No more than 2	0.56	0.54	<i>Is met</i>

Description	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Forecast
Debt/EBITDA	3.18	3.31	2.96	3.23	1.90
Debt/Equity	0.65	0.56	0.54	0.71	0.59
Current liquidity	1.04	0.70	0.75	0.72	1.30

At the end of 2020, Samruk-Energy JSC (hereinafter referred to as the Company) complied with financial and non-financial covenants of creditors, which are recorded on a semi-annual basis.

At the end of 2020, Samruk-Energy JSC reached the target indicators for financial stability ratios provided by the shareholder.

Debt reduction

At the end of 12 months of 2020, the consolidated debt of the Company amounted to 325.4 billion tenge, the decrease in debt for the reporting period compared to the results of 2019 (338 billion tenge) amounted to 12.6 billion tenge.

Debt reduction in 2020 is associated with scheduled debt repayments and early repayment of debts in the amount of 17.8 billion tenge.

As part of the leveling of currency risks, the Company carried out the following activities in 2019-2020:

- Refinancing of foreign currency liabilities in tenge – “Moynak HPP”, JCS in the amount of 148 million US dollars, “Ekibastuz SDPP-2”, JCS in the amount of about 100 billion tenge. As a result, the share of foreign currency liabilities in the loan portfolio was reduced to 1.5%.

Due to the systematic work on debt management for the period from 2018 to 2020, Samruk-Energy reduced its debt by an estimated 92 billion tenge in balance terms, which is in line with the target indicators of financial soundness ratios set by the shareholder.

Interest expense optimization

At the same time, by the end of 2020, a decrease in expenses of about 1.3 billion tenge was achieved for remuneration due to planned and early repayment of debt, refinancing of foreign currency obligations and a decrease in interest rates on existing loans of the Group.

Credit Rating (Fitch Ratings)

At the end of 2020, the long-term ratings of Samruk-Energy JSC from the international rating agency Fitch Ratings were kept at the BB level, the forecast is Stable. At the same time, Fitch Ratings raised the senior unsecured rating of Samruk-Energy JSC from “BB-” to “BB”, and also raised its stand-alone credit rating from “b” to “b +”.

14. Contingent and contractual liabilities and operating risks

Political and economic situation in the Republic of Kazakhstan

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. Its economy is particularly sensitive to prices on oil and gas prices and other commodities, which constitute 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 debt and equity securities in the markets. Ongoing political tension in the region, volatility of exchange rate have caused and may continue to cause negative impact on the economy of the Republic of Kazakhstan, including decrease in liquidity and creation of difficulties in attracting of international financing.

On 20 August 2015 the National Bank and the Government of the Republic of Kazakhstan made a resolution about discontinuation of supporting the exchange rate of Tenge and implement of new monetary policy, which is based on inflation targeting regime, cancellation of exchange rate trading band and start a free floating exchange rate. However, the National Bank's exchange rate policy allows it to intervene to prevent dramatic fluctuations of the Tenge exchange rate and to ensure financial stability.

As at the date of this report the official exchange rate of the National Bank of the Republic Kazakhstan was Tenge 414,77 per US Dollar 1, compared to Tenge 420.91 per US Dollar 1 at 31 December 2020 (31 December 2019: Tenge 381.18 per US Dollar 1). Therefore, uncertainty remains in relation to exchange rate of Tenge and future action of National Bank and the Government of the Republic of Kazakhstan and the impact of these factors on the economy of the Republic of Kazakhstan.

On 21 August 2020, Fitch Ratings affirmed the long-term foreign currency issuer default rating (“IDR”) of Kazakhstan – “BBB” with a stable outlook. Kazakhstan's 'BBB' IDRs balance large fiscal and external buffers, underpinned by accumulated oil-related fiscal revenues and a strong sovereign net foreign asset position, against high commodity dependence, a weak banking sector relative to peers, and lower governance scores than 'BBB' medians. Public debt remains low and external and fiscal buffers robust despite the oil price and coronavirus shocks.

According to the official estimates, real GDP during the nine months of 2020 contracted by 3.1%. In August 2020 Fitch forecasted that real GDP would contract by 2.0% in 2020 (2019: +4.5%) as coronavirus containment measures hit domestic demand, and OPEC+ oil production cuts affect net exports.

Additionally, the power energy sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal, controlling and political developments, which are beyond the Group’s control.

For the purpose of measurement of expected credit losses (“ECL”) the Group uses supportable forward-looking information, including forecasts of macroeconomic variables. As with any economic forecast, however, the projections and likelihoods of their occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different from those projected.

In December 2019, news from China about the outbreak of a new virus first appeared. On 11 March 2020, the World Health Organization announced an outbreak of a new type of coronavirus, COVID19, as a pandemic. According to the decree of the President of the Republic of Kazakhstan dated 15 March 2020 No. 285 “On the introduction of a state of emergency in the Republic of Kazakhstan,” a state of emergency was introduced in the country for the period from 16 March 2020 until 11 May 2020.

Most of the cities of Kazakhstan fell under the quarantine regime, and in the period from 30 March to 11 May this year, the operations of most industrial enterprises were suspended. The Group’s activities for the period of quarantine were not suspended, the work of office employees was organized remotely.

In response to the pandemic Kazakhstan authorities take numerous actions aimed at the containment of COVID-19 spread and impact, such as bans on travelling, quarantine, business activities restrictions, etc. These actions, amongst others, significantly restrict economic activity in Kazakhstan, as well as they have and may continue to have a negative impact on businesses, market participants and Group’s clients, as well as Kazakhstan and world economy for an uncertain time period.

At the same time, on 9 March 2020, oil quotes collapsed amid the disagreements of the OPEC members, the price of Brent crude oil in March this year fell below US Dollars 25 per barrel. The Tenge depreciated against the US Dollar since the beginning of 2020 by approximately 10%.

As of the date of the issuance of these consolidated financial statements, the cost of Brent oil was US Dollars 51.80 per barrel with further forecasted increase in price.

As of the date of the issuance of these consolidated financial statements, the situation is still developing, and to date there has not been any significant effect on the Group's revenues and deliveries.

The power energy generation volume in the Group in 2020 was 31.4 billion kWh that is above the plan by 3% and actual value for the previous year by 4%. The main factor of the increase in generation volume by last year is power energy consumption growth in the north and south of RK by 2.3%. Also, the Group's share in power energy generation in RK upon 2020 actual value was 29% that is higher by 2% than last year indicator.

Revenue in 2020 amounted to Tenge 283 billion that is higher than in the last year by 16%. EBITDA index of the Group was Tenge 99,7 billion that is higher than the last year actual value by 21%. The main driver of the growth of revenue and EBITDA compared to the last year is increase in power energy tariffs and generation volumes.

However, the future effect is difficult to predict. Management will continue to monitor the potential effect of the above events and will take all necessary actions to prevent negative consequences for the business, however:

- the consequences of downtime/quarantine due to the COVID-19 pandemic will lead to a slowdown in business activity in general, which may affect the Company's financial performance in the future;
- as part of new agreements between OPEC members and other oil-producing countries, Kazakhstan and Russia have committed to cut production levels;
- further depreciation of Tenge against the US dollar will negatively affect the financial results of the Group.

In addition, the following event occurred that caused a positive impact on the Group's financial stability:

- approval by the Order of the ME RK No.205 dated 22 May 2020 of estimation methodology for the fixed profit accounted for in power energy tariff effective from 2021 that will enable, apart from full cost coverage, getting profitability from the sales of electricity by operating energy-producing organizations;

Management is unable to predict the extent or duration of changes in the Kazakhstani economy or evaluate their possible impact on the financial position of the Group in the future. Management believes that it is taking all necessary actions to maintain the sustainability and growth of the Group in current circumstances.

Tax legislation

Kazakhstani tax legislation and practice is in a state of continuous development and therefore is subject to varying interpretations and frequent changes, which may be retroactive. In some cases, in order to determine the taxable base, the tax law refers to the

provisions of IFRS, and the interpretation of the relevant provisions of IFRS by Kazakhstani tax authorities may differ from the accounting policies, judgments and estimates applied by management in the preparation of these consolidated financial statements, which may lead to additional tax liabilities of the Group. Fiscal periods remain open to review by the authorities in respect of taxes for five years after the end of the fiscal year.

The Group management believes that its interpretation of the relevant legislation is appropriate and the Group's tax positions will be sustained. In the opinion of the Group management, no material losses will be incurred in respect of existing and potential tax claims in excess of provision that have been made in these consolidated financial statements.

Legal proceedings

Legal proceedings between EGRES-1 and Maikuben-West Holding JSC

Since 2016, the Company has been involved in legal proceedings with Maikuben-West Holding (Member of Maikuben-West LLP). The Company filed a lawsuit in the specialized inter-district economic court ("SIEC") of Pavlodar region for collection of debt of Tenge 333 million tenge from Maikuben-West LLP, as well as a government fee of Tenge 10 million. By the decision of the SIEC of Pavlodar region dated 10 June 2016 the claim has been successful. Part of debt in the amount of Tenge 28 million was recovered from Maikuben-West LLP. As to the remaining debt of Maikuben-West LLP of Tenge 315 million, the following measures were taken: seizure of funds and property of Maikuben-West LLP, recommendations were sent to the SIEC of Pavlodar region to suspend licenses and permits issued by Maikuben LLP -West.

In the period from 15 July 2019 to 22 February 2020, in connection with the lawsuit filed by Maikuben-West LLP on the application of the rehabilitation procedure, enforcement proceedings were suspended.

In 2019, the Company filed a lawsuit against the debt collection with Maikuben-West LLP of Tenge 1,632,148 thousand, lost profit Tenge 161,286 thousand, forfeit (penalty) Tenge 99,302 thousand and government fee Tenge 47,538 thousand.

On 11 June 2019, the SIEC of Pavlodar region made a decision to approve the Company's claim in full. On 3 December 2019, enforcement proceedings were initiated to collect debts from Maikuben-West LLP of Tenge 1,6 billion.

Due to ongoing legal proceedings between the parties, the receivables of Maikuben-West LLP as of 31 December 2020 were fully impaired (31 December 2019: fully impaired).

Legal proceedings between Samruk-Energy JSC and Transtelecom JSC

For the second quarter of 2020, the Company is involved in legal proceedings with Transtelecom JSC. Transtelecom JSC took legal actions for the recovery of actually rendered services and incurred expenses under Procurement Contract "Consulting services on implementation of target (base) processes of Samruk-Energy JSC" of Tenge 1,100,045 thousand. On 16 April 2020, preparation was held to legal proceeding in Nur-Sultan SIEC. On 3 August 2020, legal proceedings were held in Nur-Sultan SIEC on a civil case under Transtelecom JSC's claim to Samruk-Energy JSC on recovery of debt

amount. According to court ruling dated 3 August 2020 and 25 August 2020 on this case, legal economic evaluation and legal merchandising expert review have been assigned. On 15 December 2020, court made a decision of partial satisfaction. The court decided to recover from Samruk-Energy JSC in favour of Transtelecom JSC the amount of Tenge 718,254 thousand and judicial costs on state duty payment of Tenge 21,548 thousand. The court denied the remaining portion of Transtelecom JSC's demand for Tenge 381,791 thousand. The Company created provision for the amount of Tenge 739,802 within general and administrative expenses as of 31 December 2020. On 3 February 2021, the court approved mediation agreement executed between Samruk-Energy JSC and Transtelecom JSC dated 2 February 2021, according to which Samruk-Energy JSC on 8 February 2021 repaid the amount for actually performed works of Tenge 700,000 thousand. As of the approval date of these consolidated financial statements an agreement between Samruk-Energy JSC and Transtelecom JSC was executed.

Insurance

The insurance industry in the Republic of Kazakhstan is in a developing stage and many forms of insurance protection common in other parts of the world are not yet generally available in the Republic of Kazakhstan. The Group does not have full coverage for its plant facilities, losses caused by business interruptions or third party liabilities in respect of property or environmental damage arising from accidents or the Group's activities. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the Group's operations and financial position.

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 in the consolidated financial statements. 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 consolidated 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 AIES JSC and EGRES-1. 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.

Provision for liquidation of ash dump

In accordance with the environmental regulations the Group has a legal obligation to liquidate ash dumps that are disposal polygons of waste of operations of the Group. At 31 December 2020 the carrying amount of ash dump liquidation provision was 3,423,974 thousand tenge (31 December 2019: 2,331,591 thousand tenge).

The assessment of the current ash dump liquidation provision is based on the Group's interpretation of the environmental legislation of RK in force, supported by feasibility study and engineering research in accordance with current norms of restoration methods and reclamation works. This assessment may change upon completion of subsequent nature protection research works and review of existing reclamation and restoration programmes.

Capital commitments

The Group analyzed its exposure to seasonal and other emerging business risks, but did not identify any risks that could affect the Group's financial performance or position as at 31 December 2020. The Group possesses the necessary funds and sources of financing to fulfill capital commitments and to provide working capital.

As at 31 December 2020 the Group had long term contractual commitments to purchase the property, plant and equipment for 76,074,066 thousand tenge (31 December 2019: 160,605,255 thousand tenge).

Compliance with covenants

The Group is subject to certain covenants related primarily to its borrowings. Non-compliance with such covenants may result in negative consequences for the Group including growth in the cost of borrowings and declaration of default. Upon the results of 2020, the Group was in compliance with covenants on borrowings, and received waivers on reduction of thresholds, when a violation forecasted.





15. Benchmarking results

Benchmarking is one of the important elements of control of Samruk-Energy JSC. The purpose of the benchmarking is to compare the operating and financial performance with foreign companies - counterparts to identify the strengths and weaknesses of Samruk-Energy JSC. For benchmarking the following indicators were used:

- EBITDA margin;
- Return on invested capital (ROIC);
- Ratio of the share of borrowed funds (Debt / Equity)
- Debt / EBITDA

For benchmarking, data from the following analog companies were used:

- Inter RAO UES PJSC (Russia);
- CEZ Group (Czech Republic);
- Drax Group (Great Britain).

Критерий	Мера	Статус	Min -----Бенчмаркинг-----Max
EBITDA margin	%		<div>Drax Group (8,6%)</div> <div>Inter RAO (11,10%)</div> <div>CEZ Group (19,3%)</div> <div>C3 (35,2%)</div>
Долг/EBITDA	коэффициент		<div>Inter RAO (0,85)</div> <div>C3 (2,67)</div> <div>Drax Group (2,99)</div> <div>CEZ Group (3,72)</div>
Долг/СК	коэффициент		<div>Inter RAO (0,15)</div> <div>C3 (0,54)</div> <div>Cez Group (0,64)</div> <div>Drax Group (0,82)</div>
ROIC	%		<div>CEZ Group (2,34%)</div> <div>C3 (3,84%)</div> <div>Drax Group (8,61%)</div> <div>Inter RAO (8,75%)</div>



Лучше среднего показателя по аналогам

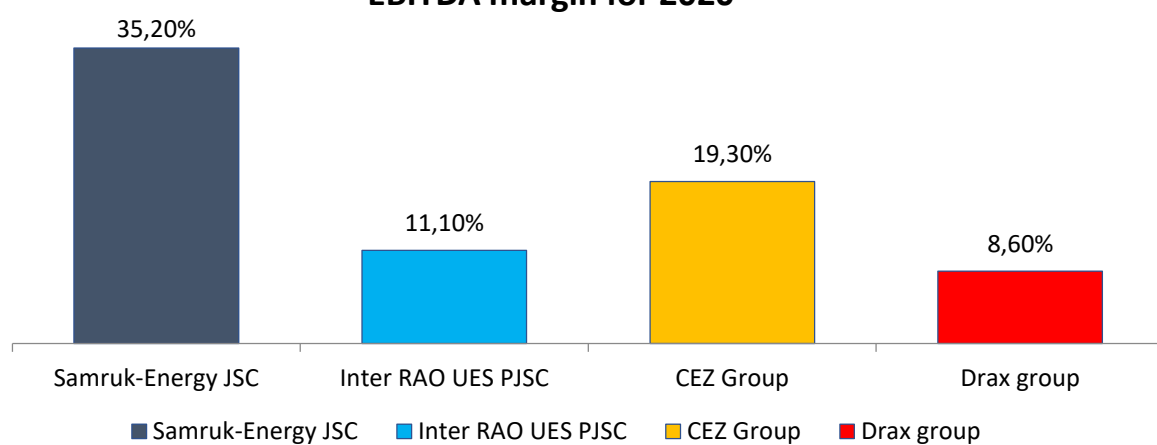


Соответствует среднему показателю по аналогам

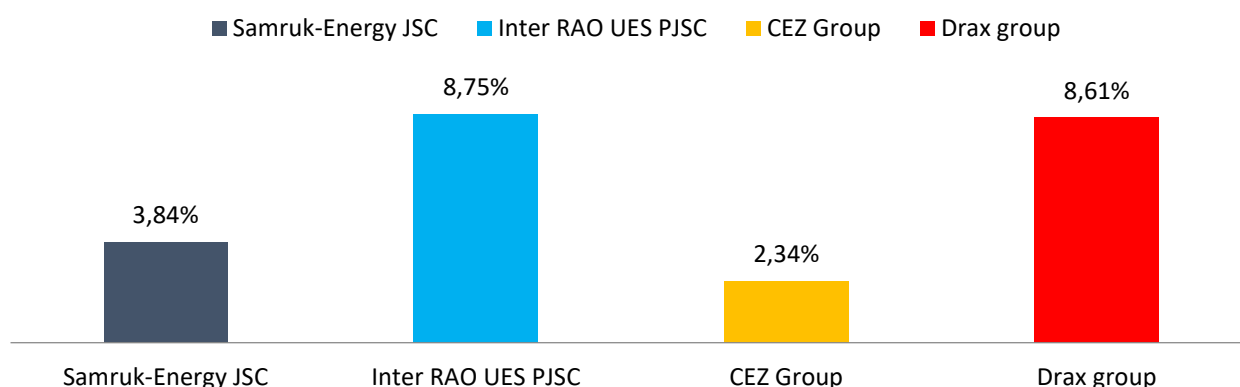


Хуже среднего показателя по аналогам

EBITDA margin for 2020



Return on Invested Capital (ROIC) for 2020



Source: *ru.investing.com*

At present, in comparison with foreign peer companies, “Samruk-Energy” JSC is inferior in respect to certain indicators.

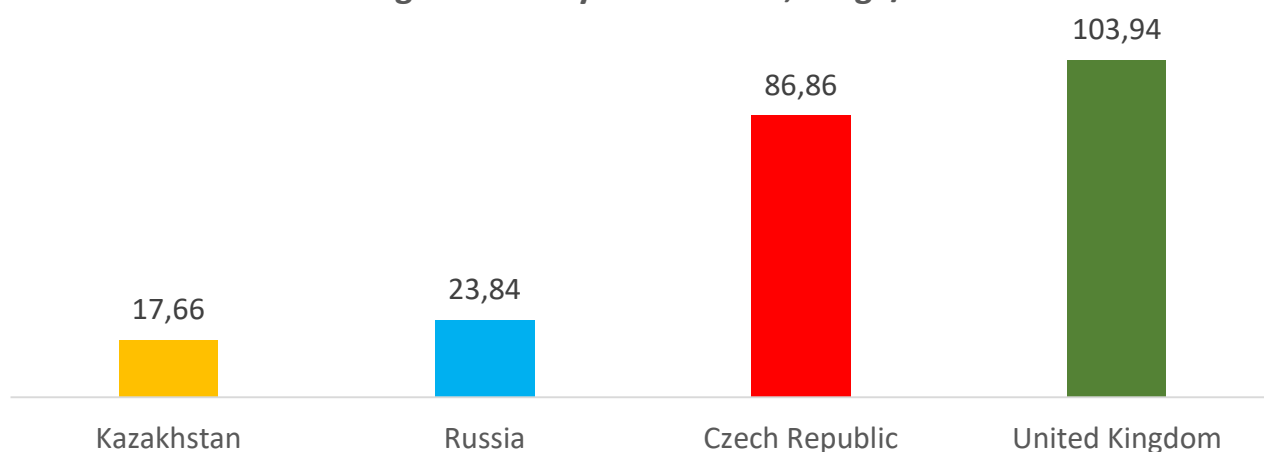
Financial stability indicators show that “Samruk-Energy” JSC fully uses available financial leverage.

At the same time, Samruk-Energy surpasses its peers in terms of **EBITDA margin**. This indicator indicates a high profitability of sales. In terms of **ROIC** (return on long-term invested capital) Samruk-Energy is at the level of European peers. At the same time, according to this indicator, Samruk-Energy is significantly inferior to the Russian holding, the specificity of whose activities is identical due to the similarity of the economic conditions of activity, which indicates the need to increase the efficiency (profitability, return) of investments.

It is worth noting that, in contrast to public companies-analogues, Samruk-Energy JSC belongs to the Government of the Republic of Kazakhstan, and therefore, the Company is a conductor of state policy in the field of electric power. In this regard, as well as with a high degree of deterioration of the energy sector, socially significant investment projects have been implemented since 2009 (aimed at the reliability and uninterrupted operation of the energy system of the Republic of Kazakhstan), which led to a significant increase in invested capital and, accordingly, reduced the rate of return on investment.

An additional factor affecting the indicators of return on investment is the low level of electricity tariffs in the Republic of Kazakhstan in comparison with countries of similar companies.

Average electricity rate in 2020, tenge/kWh



Country	Aaverage tariff for 1 kWh	In tenge/kWh	Average exchange rate for 2020
Republic of Kazakhstan	17.66 tenge	17.66 tenge/kWh	
Russia Federation	4.15 ruble	23.84 tenge/kWh	5.74 tenge/ruble
Czech Republic	0.18 euro	86.86 tenge/kWh	471.81 tenge/euro
Great Britain	0.22 euro	103.94 tenge/kWh	

Source: Eurostat, Rosstat