



SAMRUK-ENERGY JSC

Condensed Consolidated Interim Financial Statements (unaudited)

30 September 2019

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

<i>In thousands of Kazakhstan Tenge</i>	Note	30 September 2019 (unaudited)	31 December 2018 (restated*)
ASSETS			
Non-current assets			
Property, plant and equipment	7	751,613,284	771,932,346
Investment property		351,395	428,734
Intangible assets		3,944,656	4,767,633
Right-of-use asset	3,8	3,324,640	-
Investments in joint ventures	9	56,124,704	55,860,500
Other non-current assets	10	15,301,693	14,904,942
Total non-current assets		830,660,372	847,894,155
Current assets			
Inventories	11	10,438,312	9,378,118
Trade and other receivables	12	21,078,111	23,913,414
Other current assets	13	89,865,376	93,675,952
Income tax prepaid		1,678,795	1,269,358
Cash and cash equivalents	14	7,307,063	13,624,165
Assets of disposal group, classified as held-for-sale		1,046	1,889
Total current assets		130,368,703	141,862,896
TOTAL ASSETS		961,029,075	989,757,051
EQUITY			
Share capital	15	373,314,888	373,314,888
Other reserves	15	127,273,797	127,412,909
Retained earnings		(20,232,505)	(21,607,444)
Equity attributable to the Group's equity holders		480,356,180	479,120,353
Non-controlling interest		1,100,940	891,592
TOTAL EQUITY		481,457,120	480,011,945
LIABILITIES			
Non-current liabilities			
Provision for liquidation of ash dump		2,685,156	2,654,156
Employee benefit obligations		1,116,289	1,297,228
Borrowings	16	228,717,249	266,959,110
Other non-current liabilities		6,003,319	6,743,655
Non-current lease liabilities	3,8	2,507,482	-
Deferred income tax liabilities		81,608,154	82,771,915
Total non-current liabilities		322,637,649	360,426,064
Current liabilities			
Provision for liquidation of ash dump		60,927	248,406
Borrowings	16	52,850,809	43,403,659
Employee benefit obligations		85,541	113,600
Trade and other payables	17	99,851,875	99,991,801
Taxes payable and other payables to budget		3,182,782	4,653,520
Current lease liabilities	8	700,381	-
Income tax payable		201,991	908,056
Liabilities of disposal group, classified as held-for-sale		-	-
Total current liabilities		156,934,306	149,319,042
TOTAL LIABILITIES		479,571,955	509,745,106
TOTAL LIABILITIES AND EQUITY		961,029,075	989,757,051
Carrying value of one ordinary share		85,244	84,839

* - comparative information has been restated to reflect the transfer of assets and liabilities from a disposal group held for sale (Note 2).

Signed on behalf of management on 12 November 2019.

Aidar Kairatovich Ryskulov
 Managing Director on Economics and Finance



Saule Bekzadayevna Tulekova
 Head of Accounting and Tax Department
 Chief Accountant

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

<i>In thousands of Kazakhstani Tenge</i>	Note	Nine months ended 30 September 2019 (unaudited)	Nine months ended 30 September 2018 (unaudited, restated*)	Three months ended 30 September 2019 (unaudited)	Three months ended 30 September 2018 (unaudited, restated*)
Revenue	18	171,254,469	192,107,267	61,709,756	60,038,586
Cost of sales	19	(138,541,594)	(134,347,609)	(48,704,728)	(42,747,687)
Gross profit		32,712,875	57,759,658	13,005,028	17,290,899
Selling expense	20	(5,296,462)	(11,392,790)	(2,986,489)	(2,272,501)
General and administrative expenses	21	(8,423,767)	(9,778,205)	(2,772,421)	(2,668,549)
Share in profit/(loss) of joint ventures and associates	9	9,128,240	7,685,848	2,319,342	1,050,080
Net gain/(loss) on (net) recovery/(impairment) of financial assets		1,256,591	114,582	606,493	(13,347)
Finance income	22	2,187,095	1,674,846	457,604	501,152
Finance costs	23	(24,748,902)	(30,206,325)	(8,315,321)	(10,865,021)
Other income/(loss), net		239,213	1,004,018	101,452	761,018
Profit/(loss) before income tax		7,054,883	16,861,632	2,415,688	3,783,731
Income tax expense	24	(3,419,567)	(6,648,283)	(941,223)	(2,198,799)
Profit/(loss) for the period from continuing operations		3,635,316	10,213,349	1,474,465	1,584,932
Loss from discontinued operations		-	-	-	-
Profit/(loss) for the period		3,635,316	10,213,349	1,474,465	1,584,932
Other comprehensive income/(loss) <i>(Items that will not be reclassified to profit or loss)</i>					
Remeasurements of post-employment benefit obligations		(139,111)	(140,390)	(126,297)	(115,846)
Total comprehensive income/(loss) for the period		3,496,205	10,072,959	1,348,168	1,469,086
Profit/(loss) attributable to:					
Equity holders of the Group		3,425,968	10,038,241	1,396,900	1,523,858
Non-controlling interest		209,348	175,108	77,565	61,074
Profit/(loss) for the period		3,635,316	10,213,349	1,474,465	1,584,932
Total comprehensive income/(loss) attributable to:					
Equity holders of the Group		3,286,857	9,897,851	1,270,603	1,408,012
Non-controlling interest		209,348	175,108	77,565	61,074
Total comprehensive income/(loss) for the period		3,496,205	10,072,959	1,348,168	1,469,086

The accompanying notes on pages 6 to 34 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 equity holders of the Group			Non-controlling interest	Total equity
		Share capital	Other reserves	Retained earnings		
Balance at 1 January 2018		373,314,888	127,546,130	(22,807,115)	478,053,903	707,640 478,761,543
Profit for the period (unaudited)		-	-	10,044,714	10,044,714	175,108 10,219,822
Other comprehensive loss (unaudited)		-	(140,390)	-	(140,390)	- (140,390)
Total comprehensive income/(loss) (unaudited)		-	(140,390)	10,044,714	9,904,324	175,108 10,079,432
Dividends	15	-	-	(2,041,000)	(2,041,000)	- (2,041,000)
Balance at 30 September 2018 (unaudited)		373,314,888	127,405,740	(14,803,401)	485,917,227	882,748 486,799,975
Balance at 1 January 2019		373,314,888	127,412,909	(21,607,444)	479,120,353	891,592 480,011,945
Profit for the period (unaudited)		-	-	3,425,968	3,425,968	209,348 3,635,316
Other comprehensive loss (unaudited)		-	(139,112)	-	(139,112)	- (139,112)
Total comprehensive income/(loss) (unaudited)		-	(139,112)	3,425,968	3,286,856	209,348 3,496,204
Other capital distributions		-	-	(10,029)	(10,029)	- (10,029)
Dividends	15	-	-	(2,041,000)	(2,041,000)	- (2,041,000)
Balance at 30 September 2019 (unaudited)		373,314,888	127,273,797	(20,232,505)	480,356,180	1,100,940 481,457,120

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

<i>In thousands of Kazakhstani Tenge</i>	Note	Nine months ended 30 September 2019 (unaudited)	Nine months ended 30 September 2018 (unaudited, restated*)
Cash flows from operating activities			
Total cash inflows		197,947,643	219,520,658
Sale of products and goods		132,533,279	165,513,051
Sales of services		7,523,693	7,344,734
Advances received		48,963,466	44,160,241
Dividends and other receivables from associates		7,854,641	1,680,397
Others		1,072,564	822,235
Total cash outflows		(157,125,195)	(161,395,799)
Payments to suppliers		(70,261,811)	(54,281,452)
Advances paid		(19,515,302)	(46,668,658)
Payment of salary expenses		(22,612,727)	(20,535,626)
Payment of interest on loans received		(18,898,099)	(21,883,588)
Corporate income tax		(5,703,675)	(1,628,667)
Other payments to the budget		(17,448,800)	(14,065,061)
Others		(2,684,781)	(2,332,747)
Net cash from operating activities		40,822,448	58,124,859
Cash flows from investing activities			
Total cash inflows		18,662,492	26,520,403
Proceeds from sale of fixed assets and intangible assets		41,998	171,810
Return of bank deposits		2,666,245	16,106,277
Interests received from obligations and deposits		987,808	967,621
Others		14,966,441	9,274,695
Total cash outflows		(29,538,137)	(48,749,330)
Acquisition of fixed assets		(19,561,123)	(21,185,775)
Purchase of intangible assets		(74,102)	(1,034,710)
Acquisition of shares in associates		(2,403,501)	-
Placement of bank deposits		(2,074,766)	(13,915,399)
Others		(5,424,645)	(12,613,446)
Net cash from investing activities		(10,875,645)	(22,228,927)

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

<i>In thousands of Kazakhstani Tenge</i>	Note	Nine months ended 30 September 2019 (unaudited)	Nine months ended 30 September 2018 (unaudited, restated*)
Cash flows from financing activities			
Total cash inflows		146,262,122	44,168,427
Proceeds from short-term loans received		86,971,289	13,246,952
Proceeds from long-term loans received		59,290,833	30,909,583
Others		-	11,892
Total cash outflows		(182,145,653)	(103,486,202)
Payment of principal on short-term loans received		(75,651,757)	(13,442,535)
Payment of principal on long-term loans received		(85,268,453)	(87,595,789)
Payment of principal on issued debt securities (obligations)		(16,872,498)	-
Payment of principal on finance leases		(612,816)	-
Dividends paid to shareholders of the parent company		(2,041,000)	(2,041,000)
Dividends paid to non-controlling owners		(197,339)	(216,873)
Other payments		(1,501,790)	(190,005)
Net cash from financing activities		(35,883,531)	(59,317,775)
Provision for impairment of cash and cash equivalents under IFRS 9		(757)	(2,254)
Foreign exchange difference effect on cash and cash equivalents		(379,617)	(260,133)
Net decrease in cash and cash equivalents		(6,317,102)	(23,684,230)
Cash at the beginning of the year, including:	14	13,624,165	32,730,644
Cash at the at the end of reporting period:	14	7,307,063	9,046,414

The cash flow statement for nine months ended September 30, 2019, 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 2019 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 2019 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, heat energy, hot water on the basis of coal, hydrocarbons and water resources, and sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, leasing of property of power stations.

The operations of the Group's subsidiaries and joint ventures are regulated by the Law of the Republic of Kazakhstan on Natural Monopolies and Regulated Markets, the Law on Competition and the Restriction of Monopolistic Activity (the "Antimonopoly legislation"). The tariffs, based on type of energy company, are regulated by the Committee on Regulation of Natural Monopolies of the Ministry of Economics of the Republic of Kazakhstan (the "Committee") or by the relevant ministry - Ministry of Energy of the Republic of Kazakhstan (the "MoE").

Electricity tariffs for electricity producers are approved by the order of the Minister of Energy #160 dated 27 February 2015 on Approval of Cap for Tariffs for Electricity for a Group of Energy Producing Organizations and in line with further amendments. Tariffs for the supply of electricity produced by renewable energy sources are fixed and approved by the Decree of the Government of Republic of Kazakhstan according to the Renewable Energy technology (separately for wind, solar and other sources), and are subject to annual indexation. Wherein financial center acts as a buyer, and energy producing organizations act as a seller. Tariffs for transmission and distribution of electricity, production of heat energy and energy supply (the "ES") are regulated by Committee on Regulation of Natural Monopolies and Competition Protection of Ministry of Economics. Regulation and control are performed strictly in accordance with regulations.

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: Kabanbai Batyr Avenue 15A, Block B, Nur-Sultan city, the Republic of Kazakhstan.

2 Basis of Preparation and Significant Accounting Policies

Basis of preparation

These condensed consolidated interim financial statements for the nine-month period ended 30 September 2019 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 for the year ended 31 December 2018, 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 and the application of new accounting clauses, as indicated below.

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 heating season 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 2019 that will significantly increase the Group's expenses, downtime of power units and low levels of electricity production.

Exchange rates

As of September 30, 2019, the official exchange rate used to translate balances in foreign currency was Tenge 387,63 for 1 US dollar (31 December 2018: Tenge 384,20 for 1 US dollar) and Tenge 6,02 for 1 Russian ruble (31 December 2018 : Tenge 5.52 for 1 Russian ruble).

Changes in the presentation of financial statement

Earlier, the Board of Directors of Samruk Energy JSC approved the terms of sale a number of subsidiaries in accordance with the Decree of the Government on the privatization of assets, and these companies were classified as assets held for sale in the consolidated financial statements of Samruk Energy JSC. According to management, the sale of TM and MM was expected during 2018.

Management believes that there are some uncertainties regarding the sale of assets and the timing of the sale. Due to the presence of significant uncertainty in the order of sale of assets and the terms of sale, the disposal group is not ready for immediate sale in their current state. In addition, entities of the disposal group were not sold during 2018 as it was previously planned.

In accordance with IFRS 5, if non-current assets and disposal groups, previously classified as held for sale, no longer meet the necessary classification criteria, the Company ceases to classify them as held for sale. Consequently, the assets and liabilities of TM and MM were transferred from discontinued operations to continuing operations as of September 30, 2019. Comparative information was restated to reflect the results of a transfer from a disposal group to continuing operations.

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

2 Basis of Preparation and Significant Accounting Policies (Continued)

The table below shows the effect of classification changes on the presentation of figures as of December 31, 2018:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2018 (original)	Mangyshlak Munai LLP	Tegis Munai LLP	Eliminations and adjusting entries	31 December 2018 (restated)
ASSETS					
Non-current assets					
Property, plant and equipment	756,453,621	8,710,244	2,143	6,766,338	771,932,346
Investment property	428,734	-	-	-	428,734
Intangible assets	4,767,633	-	-	-	4,767,633
Exploration assets	-	-	-	-	-
Investments in joint ventures and associates	55,860,500	-	-	-	55,860,500
Other non-current assets	14,282,994	617,251	4,697	-	14,904,942
Total non-current assets	831,793,482	9,327,495	6,840	6,766,338	847,894,155
Current assets					
Inventories	9,373,661	3,951	506	-	9,378,118
Trade and other receivables	23,913,414	-	-	-	23,913,414
Other current assets	93,673,376	2,563	13	-	93,675,952
Income tax prepaid	1,268,014	1,299	45	-	1,269,358
Cash and cash equivalents	13,604,335	16,925	2,905	-	13,624,165
Assets of disposal group, classified as held-for-sale	16,130,771	-	-	(16,128,882)	1,889
Total current assets	157,963,571	24,738	3,469	(16,128,882)	141,862,896
TOTAL ASSETS	989,757,053	9,352,233	10,309	(9,362,544)	989,757,051

<i>In thousands of Kazakhstani Tenge</i>	31 December 2018 (original)	Mangyshlak Munai LLP	Tegis Munai LLP	Eliminations and adjusting entries	31 December 2018 (restated)
LIABILITIES					
Non-current liabilities					
Provision for liquidation of ash dump	2,643,471	10,685	-	-	2,654,156
Employee benefit obligations	1,297,228	-	-	-	1,297,228
Borrowings	266,959,110	-	-	-	266,959,110
Other non-current liabilities	4,843,536	1,900,119	-	-	6,743,655
Deferred income tax liabilities	82,771,915	-	-	-	82,771,915
Total non-current liabilities	358,515,260	1,910,804	-	-	360,426,064
Current liabilities					
Provision for liquidation of ash dump	248,406	-	-	-	248,406
Borrowings	43,403,659	-	-	-	43,403,659
Employee benefit obligations	113,600	-	-	-	113,600
Trade and other payables	99,901,007	89,275	1,519	-	99,991,801
Taxes payable and other payables to budget	4,636,438	16,866	216	-	4,653,520
Income tax payable	908,056	-	-	-	908,056
Liabilities of disposal group, classified as held-for-sale	2,018,682	-	-	(2,018,682)	-
Total current liabilities	151,229,848	106,141	1,735	(2,018,682)	149,319,042
TOTAL LIABILITIES	509,745,108	2,016,945	1,735	(2,018,682)	509,745,106

The accompanying notes on pages 6 to 34 are an integral part of these condensed consolidated interim financial statements

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

2 Basis of Preparation and Significant Accounting Policies (Continued)

The third statement of financial position as of January 1, 2019 was not presented in these financial statements, as changes in the presentation of information did not have a significant effect at the beginning of the previous period.

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2018 (original)	Mangyshlak Munai LLP	Tegis Munai LLP	Eliminations and adjusting entries	Nine months ended 30 September 2018 (restated)
Revenue	192,107,267	-	-	-	192,107,267
Cost of sales	(134,347,609)	-	-	-	(134,347,609)
Gross Profit	57,759,658	-	-	-	57,759,658
Selling expense	(11,392,790)	-	-	-	(11,392,790)
General and administrative expenses	(9,638,494)	(119,303)	(20,408)	-	(9,778,205)
Share in profit/(loss) of joint ventures and associates	7,685,848	-	-	-	7,685,848
Net gain/(loss) on (net) recovery/(impairment) of financial assets	114,582	-	-	-	114,582
Finance income	1,674,540	220	86	-	1,674,846
Finance costs	(30,206,325)	-	-	-	(30,206,325)
Other income/(loss), net	1,004,018	-	-	-	1,004,018
Profit/(loss) before income tax	17,001,037	(119,083)	(20,322)	-	16,861,632
Income tax expense	(6,648,283)	-	-	-	(6,648,283)
Profit/(loss) for the period from continuing operations	10,352,754	(119,083)	(20,322)	-	10,213,349
Profit/(loss) from discontinued operations	(132,932)	-	-	132,932	-
Profit for the period	10,219,822	(119,083)	(20,322)	132,932	10,213,349

3 Changes in Accounting Policies

The adopted accounting policy complies with the accounting policy applied in the previous reporting year, except for new standards and interpretations, as well as amendments to existing standards, which became effective since 1 January 2019.

In 2019 the Group first time adopted the following standards:

IFRS 16, Leases. The new standard, issued in 2016, replaces the previous leases standard, IAS 17 Leases, and the related interpretations; IFRS 16 eliminates the classification of leases as either operating leases or finance leases thus establishing a single lessee accounting model.

The Company elected modified retrospective approach which presumes recognition of cumulative effect of initial application at the date of the initial application i.e. January 1, 2019.

At the date of initial application the Company used the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as finance or operating leases applying IAS 17 and IFRIC 4. The Company also elected to use the recognition exemptions for lease contracts that have a lease term of 12 months or less (including all economically reasonable prolongation options) and do not contain a purchase option, and lease contracts for which the underlying asset is of low value (less than Tenge 1,900 thousand).

One-off increase in non-current assets and financial liabilities due to recognition of operating leases on the balance sheet totaled Tenge 3,455,370 as of January 1, 2019.

This amount can be reconciled to the undiscounted future minimum lease payments under the operating lease agreements disclosed in IFRS consolidated financial statements of the Company for 2018 as follows:

3 Changes in Accounting Policies (Continued)

Future minimum lease payments under operating leases as of 31 December 2018	4,122,345
Effect of discounting at the rate of arranging additional borrowings at the first adoption date	(1,049,958)
Present value of future minimum lease payments	3,072,387
Less commitments and contingencies associated with short-term lease and lease of low-cost assets	(162,652)
Plus commitments and contingencies associated with a lease previously classified as a finance lease	545,636
Lease liabilities as of January 1, 2019 (Recognition in accordance with IFRS 16)	3,455,370

Previously recognised lease commitments for software and vehicle lease commitments of Tenge 545,636 thousand were included in the lease liabilities as of January 1, 2019. At the same time, assets for a lease of vehicles of Tenge 31,407 thousand, and software of Tenge 502,899 thousand were reclassified out of property, plant and equipment and intangible assets respectively into right-of-use-assets. Thus, the cumulative amount of right-of-use-assets as of January 1, 2019 totalled Tenge 3,444,040 thousand.

4 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 and assets and liabilities, reported 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 2018, except for the calculation of income tax provisions and adoption of new and amended standards.

Going concern principle

Management prepared these condensed consolidated interim financial statements based on a going concern principle. Management's judgment is based on the Group's financial position, current intentions, profitability of operations, access to financial resources and Government's support. As of 30 September 2019 total Group's total current liabilities exceeded its total current assets for the amount of Tenge 26,565,603. The main factor in the increase in current liabilities was the obtaining of short-term loans from second-tier banks associated with the Company's policy to reduce the level of long-term loans with higher interest rate. In addition, during the reporting period, the Group made early repayments on loans at its own expense.

The following factors were considered when assessing the Group's ability to continue operating in the foreseeable future:

- The Group is of strategic importance for ensuring the reliability of Kazakhstan's energy system. The management and shareholders of the Group have no intention or need to liquidate the Group's operations.
- Current liabilities of the Group in the amount of Tenge 5,841,514 thousand represent payable to the city of Almaty Akimat and by amicable agreement, do not require a cash outflow.
- In the fourth quarter of 2019, the Group expects positive cash flows from operating activities, net of outflows of capital expenditures, in the amount of Tenge 11,365,150 thousand.
- As at 30 September 2019, the Group has available funds under revolving credit lines totalling Tenge 50,000,000 thousand, as well as a tranche from the Asian Development Bank of Tenge 14,000,000 thousand, available for use

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

These condensed consolidated interim financial statements do not include any adjustment to the carrying amounts of assets and liabilities, the reported revenues and expenses, and classification in the consolidated statement of financial position that would be necessary if the Group was unable to continue its operations. Such adjustments could be material.

Impairment of non-financial assets

At each reporting date management assesses whether there is any indication of impairment of separate assets or groups of assets, and whether there is any indication that an impairment loss recognised in prior periods for separate 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.

Determining the presence of signs of impairment of 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.

As of 31 December 2018 the Group conducted the impairment test of non-financial assets of Almaty Power Stations JSC ("ALES"), Moinak HPP named after U.D. Kantayev JSC ("MHPP"), Ekibastuz GRES-1 named after Bulat Nurzhanov LLP ("GRES-1"), Ekibastuz GRES-2 Power Station JSC ("GRES-2").

Based on the results of the analysis as of 31 May 2019, management did not identify any indicators of impairment of non-financial assets of AzhK, ALES and Moinak HPP. The main facts and assumptions used in the analysis of indicators are:

- Absence of negative changes in the economic efficiency of companies during the reporting period;
- Decrease in interest rates on loans
- The expected medium-term growth in demand for electricity in the southern zone of the Republic of Kazakhstan, where AZhK and ALES conduct operations;
- Stable production of electricity at the level of current volumes at Moinak HPP, The company provides automation and stability of electricity production in Almaty and Almaty region, reducing the problem of daily peak loads in the region.

Also, the analysis of indicators showed no signs of impairment of investments in SEGRES-2 as of May 31, 2019, since:

- The company exceeded the plan for operational and financial performance for 5 months. 2019;
- The resumption of the project for the construction of power unit No. 3 is provided for by the EGRES-2 Development Plan for 2019-2023. According to the Strategy of Samruk-Energy JSC Group, EGRES-2 plans to continue the construction of power unit No. 3 with a capacity of 636 MW with completion planned in 2024 and reaching its designed capacity in 2025;
- In relation to the planned transaction for the sale of EGRES-2 shares by its shareholder, INTER RAO PJSC, the decision to start the implementation of the investment project to resume the construction of power unit No. 3 was temporarily postponed until the completion of issues related to the proposed transaction;
- As of the date of the report, all plans and intentions of the Group regarding the implementation of the project for the construction of power unit No. 3 remain unchanged.

Impairment test for fixed assets and intangible assets of EGRES-1

Based on the analysis, management of the Group came to the conclusion that a decrease in the production plan for electricity generation in the medium term is a factor for the possible depreciation of fixed assets.

The Group engaged independent experts to update the impairment test as of May 31, 2019, which was carried out in accordance with IAS 36 Impairment of Assets.

An independent expert assessed the recoverable amount of EGRES-1 fixed assets based on estimates of forecasted future cash inflows and outflows from the use of assets, discount rates and other indicators.

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

The recoverable amount was determined based on value in use, in accordance with the methods and assumptions used as of December 31, 2018. Refer to Note 4 in our Annual Report for December 31, 2018 for more information.

These calculations used cash flow projections based on updated financial budgets approved by management for the period from 2019 to 2026.

The following table sets out the main changes in assumptions where the impairment estimates were updated as of May 31, 2019:

As of 31 May 2019	Unit	2019	2020	2021	2022	2023	2024	2025	2026
Tariff for electrical energy in Kazakhstan	Tenge/kWh	5.76	6.59	6.84	7.00	6.99	7.11	7.29	7.61
Tariff for maintenance of electric power capacity	mln. Tenge/(MW *month)	0,59	0,54	0,57	0,59	0,61	0,63	0,66	0,68
Tariff for regulation of electric power capacity	mln.Tenge/MW	0,65	0,69	0,73	0,76	0,79	0,81	0,84	0,87
Tariff for electrical energy in Uzbekistan	Tenge/kWh	9.56	9.80	-	-	-	-	-	-

As of 31 December 2018	Unit	2019	2020	2021	2022	2023	2024	2025	2026
Tariff for electrical energy in Kazakhstan	Tenge/kWh	5.76	6.37	6.70	7.03	7.10	7.35	7.59	7.81
Tariff for maintenance of electric power capacity	mln. Tenge/(MW*month)	0,59	0,54	0,57	0,60	0,62	0,64	0,66	0,68
Tariff for regulation of electric power capacity	mln. Tenge/MW	0,74	0,79	0,84	0,87	0,90	0,93	0,96	0,99

Accordingly, the cap electricity tariff per 1 kWh in 2019 was forecasted based on the tariff approved by Order of the Minister of Energy of the Republic of Kazakhstan No. 475 dated 5 December 2018. Beginning from 2020 the forecast tariff was calculated using the rules for approval of the cap electricity tariff and calculation method of fixed profit approved by Order of the Ministry of Energy of the Republic of Kazakhstan No. 413 dated 28 November 2017 as amended on 14 December 2018, based on the forecast expenses according to the Development Plan of subsidiary and correction factor for calculation of fixed profit for a forecast period. The correction factor for fixed profit determination for EGRES-1 was set to get fixed profit at 6% for 2020, 10% for 2021, and 12% for 2022-2026.

As of 31 May 2019	Unit	7 months 2019 r.	2020	2021	2022	2023	2024	2025	2026
Sales of electricity – Kazakhstan	mln. kWh	10,843	17,527	18,935	20,261	21,404	21,682	22,193	22,193
Sales of electric power capacity per month	MW	503	1,743	1,768	1,796	1,837	1,881	1,923	2,246
Maintenance of electric power capacity	MW	1,052	1,654	1,654	1,654	1,654	1,654	1,654	1,654
Sales of electricity – Uzbekistan	MW	1,000	2,000	-	-	-	-	-	-

As of 31 December 2018	Unit	2019	2020	2021	2022	2023	2024	2025	2026
Sales of electricity – Kazakhstan	mln. kWh	17,468	18,519	19,952	21,303	22,472	22,777	23,315	23,315
Sales of electric power capacity per month	MW	503	1,743	1,768	1,796	1,837	1,881	2,197	2,246
Maintenance of electric power capacity	MW	2,445	2,445	2,445	2,445	2,445	2,445	2,794	2,794

The Group expects an even distribution of capacity sales at tenders starting in 2020 between the main market participants at an average market tariff. The management is confident that the Company will be able to realize the forecasted capacity volumes starting from 2020, since the capacity is in demand, and this is indicated by the current plant load and sales volume. Furthermore, the contract for the supply of electricity for 2019-2020 was signed with Uzbekenergo in 2019.

4 Critical Accounting Estimates, and Judgements in Applying Accounting Policies (Continued)

Tariffs and volumes for Regulation of electric capacity used in the analysis are in accordance with signed agreements with customers.

The discount rate – 10.84% for EGRES-1 - was calculated taking into account the current market assessment of the risks inherent in the industry and was determined on the basis of the weighted average cost of the company's capital.

As a result of the test of the recoverable amount of property, plant and equipment and intangible assets at 31 May 2019, management did not identify any impairment. As at September 30, 2019, management believes that there were no events that adversely affected the results of the test.

Payable to Akimat

In 2009 AZhK JSC participated in the lawsuit with the Akimat of Almaty (hereinafter referred to as the "Akimat") on the repayment of the debt of the AZhK to the Akimat. On 14 February 2014 AZhK and Akimat signed an amicable agreement on the procedure for settling the debt of the AZhK to the Akimat. To settle the liabilities, among other procedures, AZhK should accept power lines that are in the communal ownership and trust management of the Akimat. After deduction of all payments made during previous years as part of the amicable agreement, the amount of liabilities of AZhK as of 30 September 2019 equalled Tenge 5,841,514 thousand (31 December 2018: 5,841,514 thousand).

As of 30 September 2019 the adoption of power lines was not completed. The Group will cease recognising this liability when it is exempt from payment, at the moment of execution of all actions by the parties of the amicable agreement, namely at the moment of acceptance in the property of electric networks from Akimat. At the same time, the Group recognises a gain on derecognising the obligation for Tenge 5,841,514 thousand.

Balkhash Thermal Power Plant

The shareholders of JSC "Balkhash Thermal Power Plant" (hereinafter BTTP) are "Samsung C&T Corporation" (hereinafter "Samsung C&T") and Company, holding 50% + 1 shares and 50% - 1 share, respectively, as of 31 December 2018.

On 14 February 2012 the Company and Samsung C&T signed the Option Agreement for BTTP Shares (the "Option Agreement"). In accordance with this agreement, Samsung C&T is entitled to use the option if the relevant conditions of the option agreement are not fulfilled.

Due to absence of a coherent version of the project support package and financing of BTTP construction, on 31 August 2016 Samsung C&T notified the Company of its intention to exercise the option to sell the shares in accordance with the Option Agreement.

The Company concluded that the above-mentioned events indicates impairment of the Company's investments in BTTP in line with IAS 36 "Impairment of Assets". Accordingly, at 31 December 2017 the investments in BTTP were fully impaired.

On 16 November 2018 the settlement agreement with Samsung C&T was concluded. In accordance with this agreement, Kazakh side, Government and Samruk-Energy are jointly obliged to pay the agreed upon amount to Samsung C&T by 30 November 2019. Upon receipt of the payment, Samsung C&T shall transfer 50% + 1 shares in BTTP to Samruk-Energy. In this regard, at 31 December 2018 the Company recognised provision for the total amount of liability (Note 20). The Government made a decision to provide the Company with necessary funds to settle the obligation to Samsung C&T. Since it is assumed that the costs required to settle the obligation to Samsung C&T will be fully recoverable, in line with IAS 37, as at 31 December 2018 the recoverable amount was recognised as a separate asset equal to the provision amount (Note 13). The relevant loss from liability recognition and gain from asset recognition were offset in profit or loss according to IAS 37. Accordingly, at 30 September 2019 BTTP is accounted for using the equity method.

5 Segment Information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose 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.

CODM is responsible for decision making on operating activities, assess segment results on the basis of revenue and profit before tax. CODM monitors the revenue and operating profit. CODM also monitors the consolidated adjusted EBITDA, 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 effects, related to acquisition and other similar effects. Sequence for identification of adjusted EBITDA by Group might be different from 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 electricity 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 profit before tax.

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5 Segment Information (Continued)

	Production of electricity and heating energy		Electricity transmission and distribution		Sale of electricity		Other		Inter-segment operations		Total	
	9 months ended		9 months ended		9 months ended		9 months ended		9 months ended		9 months ended	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018
<i>In thousands of Kazakhstan Tenge</i>												
Sales of electricity	110,255,533	125,736,661	-	-	73,306,126	69,874,930	-	-	(37,237,671)	(38,017,390)	146,323,988	157,594,201
Sales of heating energy	10,222,195	21,648,707	-	-	-	-	-	-	-	-	10,222,195	21,648,707
Rental income from renewable energy sources	3,294,045	3,366,097	-	-	-	-	-	-	-	-	3,294,045	3,366,097
Income from maintenance of electric power capacity	4,331,013	1,458,480	-	-	-	-	-	-	-	-	4,331,013	1,458,480
Transmission of electricity	-	-	27,829,313	29,678,624	-	-	-	-	(24,991,855)	(25,633,416)	2,837,458	4,045,208
Rental income from investment property	-	-	-	-	-	-	2,939,173	2,597,612	-	-	2,939,173	2,597,612
Sales of chemically purified water	1,135,447	1,336,161	-	-	-	-	-	-	-	-	1,135,447	1,336,161
Other	171,151	60,131	-	-	-	-	840,070	628,770	(840,070)	(628,769)	171,151	60,132
Total external revenue	129,409,384	153,606,237	27,829,313	29,678,624	73,306,126	69,874,930	3,779,243	3,226,382	(63,069,596)	(64,279,575)	171,254,470	192,106,598

The accompanying notes on pages 6 to 34 are an integral part of these condensed consolidated interim financial statements

SAMRUK-ENERGY JSC
Condensed Consolidated Interim Statement of Cashflows (unaudited)

5 Segment Information (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Production of electricity and heating energy		Electricity transmission and distribution		Sale of electricity		Other		Inter-segment operations		Total	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018			30 September 2019	30 September 2018
Cost of sales	(103,789,622)	(106,648,854)	(22,930,183)	(21,136,948)	(73,377,165)	(69,679,442)	(643,583)	(485,885)	(62,198,960)	(63,603,519)	(138,541,593)	(134,347,610)
Less depreciation and amortisation	(35,092,432)	(31,062,926)	(5,794,736)	(4,929,692)	(177,479)	(62,686)	(414,384)	(225,960)			(41,479,031)	(36,281,264)
General and administrative expenses	(3,476,920)	(4,415,605)	(600,242)	(711,510)	(477,606)	(579,803)	(4,668,789)	(4,705,720)	799,788	635,100	(8,423,769)	(9,777,538)
Selling expense	(5,296,462)	(11,392,790)	-	-	-	-	-	-	-	-	(5,296,462)	(11,392,790)
Finance costs	(11,028,206)	(15,349,196)	(1,649,526)	(2,024,663)	(225,660)	(199,035)	(17,543,574)	(16,503,005)	5,470,356	3,869,574	(24,976,610)	(30,206,325)
Less interest expense	(5,402,015)	(8,421,537)	(821,329)	(827,132)	(119,119)	(155,268)	(5,819,935)	(4,767,501)	-	-	(12,162,398)	(14,171,438)
Finance income	3,421,116	3,097,954	28,856	58,428	66,990	28,533	3,613,303	2,607,815	(5,305,506)	(4,117,883)	1,824,759	1,674,847
Share of profit of joint ventures and associates and investment impairment	(663,541)	(2,828,190)	-	-	-	-	9,791,781	10,514,039	-	-	9,128,240	7,685,848
Recovery/(impairment) of non-financial assets	195,553	313,993	(1,935)	-	(387)	20	933,979	(203,357)	129,381	3,925	1,256,591	114,581
Other income/(expense)	502,736	737,332	208,345	236,035	(21,498)	(2,668)	75,191	(4,230)	64,479	37,549	700,295	928,920
Profit/ (loss) before income tax from continuing operations	9,274,038	17,120,881	2,884,629	6,099,966	(729,199)	(557,464)	(4,662,449)	(5,553,291)	287,861	(247,790)	7,054,880	16,862,302
Capital expenditure Reportable segment assets	(12,837,946)	(12,417,667)	(6,553,295)	(8,682,505)	(40,544)	(29,409)	(126,346)	(56,194)	-	-	(19,558,131)	(21,185,775)
Assets of the discontinued operations segment	704,237,579	735,036,829	127,445,179	128,788,413	11,377,294	10,729,829	225,563,643	195,503,011	(107,594,619)	(80,301,029)	961,029,076	989,757,053
Reportable segment liabilities	-	-	-	-	-	-	-	16,130,771	-	-	-	16,130,771
Liabilities of the discontinued operations segment	259,982,242	266,182,910	38,536,009	45,727,041	11,626,118	10,280,464	274,599,263	253,514,663	(105,171,677)	(67,978,652)	479,571,955	507,726,426
	-	-	-	-	-	-	-	2,018,682	-	-	-	2,018,682

The accompanying notes on pages 6 to 34 are an integral part of these condensed consolidated interim financial statements

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5 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>	Nine months ended 30 September 2019	Nine months ended 30 September 2018
Adjusted EBITDA for the period	60,637,389	73,874,611
Depreciation and amortisation	(41,479,031)	(36,281,932)
Finance income	1,824,759	1,674,846
Finance costs	(24,976,609)	(30,206,324)
Share of profit of joint ventures and associates	9,791,781	7,685,848
Recovery/(impairment) of non-financial assets	1,256,594	114,583
Profit before income tax for the period	7,054,883	16,861,632
Loss before income tax from discontinued operations	-	-
Total profit before income tax from continuing operations	7,054,883	16,861,632

6 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.

The 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.

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6 Balances and Transactions with Related Parties (Continued)

At 30 September 2019, the outstanding balances with related parties were as follows (including outstanding balances of discontinued operations):

<i>In thousands of Kazakhstan 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	5,204,303	27,230	1,103	-	3,492,689
Cash and cash equivalents	32,593	-	-	-	-
Loans given	-	-	-	-	-
Other current assets	11,996	3,413,316	-	69,838,200	-
Assets intended for the benefit of the Shareholder	-	-	-	363,571	-
Borrowings	-	-	-	63,725,758	17,435,916
Lease liabilities	21,505	-	-	546,596	-
Other distributions to the Shareholder	-	-	-	363,571	-
Trade and other payables	5,036,195	2,736,044	-	24,257	388,505
Other current liabilities	-	4,514	-	-	5,841,513

At 31 December 2018, the outstanding balances with related parties (including balances of the disposal group) were as follows):

<i>In thousands of Kazakhstan 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	2,106,146	75,624	273	-	9,274,043
Cash and cash equivalents	5,477	-	-	-	64,995
Assets intended for the benefit of the Shareholder	-	-	-	1,184,095	-
Other current assets	133,564	421	-	69,156,000	6,514,628
Borrowings	-	-	4,888	62,293,718	19,777,041
Trade and other payables	1,586,595	2,572,376	-	49,788	270,983
Lease liabilities	-	-	-	516,230	-
Other distributions to the Shareholder	-	-	-	1,184,095	-
Other current liabilities	60,289	-	-	-	5,841,513

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Condensed Consolidated Interim Statement of Cashflows (unaudited)

6 Balances and Transactions with Related Parties (Continued)

The income and expense items with related parties for nine months ended 30 September 2019 (including turnover of the group disposal) were as follows:

<i>In thousands of Kazakhstan Tenge</i>	Companies under common control	JVs and associates of Samruk-Energy	JVs and associates of Samruk-Kazyna	Share holders	Government related entities
Revenue	21,975,836	1,076,612	13,900	-	12,098,767
Cost of sales	26,075,061	14,495,385	-	-	1,688,262
General and administrative expenses	272,733	-	-	-	14,480
Selling expense	5,249,662	-	-	-	-
Other expenses	269,233	-	-	58,314	-
Other income	269,704	644,175	-	-	-
Finance costs	2,374	-	-	4,829,245	930,661
Finance income	-	49,671	-	-	-
Loss on foreign exchange	-	-	-	682,200	(146,286)

The income and expense items with related parties for Nine months ended 30 September 2018 (including turnover of the group disposal) were as follows:

<i>In thousands of Kazakhstan Tenge</i>	Companies under common control	JVs and associates of Samruk-Energy	JVs and associates of Samruk-Kazyna	Share holders	Government related entities
Revenue	16,841,871	1,759,211	16,172	-	15,665,570
Cost of sales	20,135,313	17,241,677	-	-	2,068,578
General and administrative expenses	279,523	-	-	-	-
Selling expense	11,065,727	-	-	-	-
Other expenses	296,403	69,951	-	64,515	-
Other income	364	-	-	-	-
Finance costs	-	-	-	4,573,539	985,234
Finance income	-	35,966	-	-	-
Loss on foreign exchange	-	14,593	-	-	184,465

Key management compensation is presented below:

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018
Key management compensation	114,477	79,554
Total key management compensation	114,477	79,554

Key management personnel compensation represents the salaries, bonuses and other short-term employee benefits. Key management personnel as at 30 September 2019 comprises 4 persons (30 September 2018: 5 persons).

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7 Property, Plant and Equipment

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

<i>In thousands of Kazakhstani Tenge</i>	Oil and Gas assets	Buildings and construction s	Machinery and equipment	Other	Construction in progress	Total
Carrying amount at 1 January 2019 (restated) *	8,507,740	176,012,130	454,572,864	8,524,733	124,314,879	771,932,346
Additions	6,363	14,908,629	601,310	309,213	4,695,204	20,520,719
Change in accounting estimates	-	-	(31,407)	-	-	(31,407)
Transfers	-	4,165,132	6,634,593	134,215	(10,933,940)	-
Disposal	-	(6,848)	(37,268)	(13,918)	(83,772)	(141,806)
Depreciation	-	(8,474,091)	(31,486,599)	(648,687)	-	(40,609,377)
Impairment	-	-	-	-	(57,191)	(57,191)
Cost at 30 September 2019	8,514,103	254,900,280	634,970,274	14,939,175	120,890,588	1,034,214,420
Accumulated depreciation and impairment	-	(68,295,328)	(204,716,781)	(6,633,619)	(2,955,408)	(282,601,136)
Carrying amount at 30 September 2019	8,514,103	186,604,952	430,253,493	8,305,556	117,935,180	751,613,284

* - comparative information has been adjusted to reflect the transfer of assets and liabilities from a disposal group held for sale (Note 2).

Additions include capitalised borrowing costs in the amount of Tenge 1,250,728 thousand. The average capitalisation rate for interest expenses is 11.35% (2018: 12.18%).

As at 30 September 2019 the property, plant and equipment with carrying value of Tenge 6,207,127 thousand (31 December 2018 :Tenge 5,556,204 thousand) were pledged as collateral for borrowings received by the Group from Development Bank of Kazakhstan JSC.

Depreciation charge is allocated to the following items of profit and loss for the period:

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)
Cost of sales	39,922,145	35,475,800
General and administrative expenses	677,909	415,344
Other operating expenses	9,323	9,802
Total depreciation charges	40,609,377	35,900,946

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8 Right-Of-Use-Assets and Lease Liabilities

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

<i>In thousands of Kazakhstani Tenge</i>	Buildings and constructions	Machinery and equipment	Other (including land)	Software	Total	Lease liabilities
Carrying amount at 31 December 2018	-	31,407	-	502,899	534,306	545,636
Changes in accounting policies	2,479,310	31,855	398,569	-	2,909,734	2,909,734
Carrying amount at 1 January 2019	2,479,310	63,262	398,569	502,899	3,444,040	3,455,370
Additions	319,442	-	3,078	-	322,520	322,521
Change in an accounting estimate	56	-	(135)	-	(79)	(79)
Depreciation	(424,849)	(2,532)	(14,460)	-	(441,841)	-
Interest expense	-	-	-	-	-	273,757
Payments	-	-	-	-	-	(837,230)
Transfers and reclassifications	-	-	-	-	-	(8,444)
Cost at 30 September 2019	2,798,808	63,262	401,512	502,899	3,766,481	-
Accumulated depreciation and impairment	(424,849)	(2,532)	(14,460)	-	(441,841)	-
Carrying amount at 30 September 2019	2,373,959	60,730	387,052	502,899	3,324,640	3,205,895

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9 Investments in Joint Ventures and Associates

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

<i>In thousands of Kazakhstani Tenge</i>	Joint venture		Associates		Total
	EGRES-2	Forum Muider B.V.	Energia Semirechia	BTPP	
Balance at 1 January 2018	22,264,624	30,623,596	-	-	52,888,220
Share of profit/(loss) for the period	(2,828,191)	10,514,042	-	-	7,685,851
Dividends received	-	(399,747)	-	-	(399,747)
Balance at 30 September 2018	19,436,433	40,737,891	-	-	60,174,324
Balance at 1 January 2019	18,852,903	37,007,597	-	-	55,860,500
Share of profit/(loss) for the period	(660,111)	9,791,781	(3,430)	-	9,128,240
Dividends received	-	(11,267,536)	-	-	(11,267,536)
Contribution to share capital without change in interest	-	-	2,403,500	-	2,403,500
Balance at 30 September 2019	18,192,792	35,531,842	2,400,070	-	56,124,704

As of 30 September 2019, The Group has interests in the following jointly controlled entities:

- EGRES-2 – 50%. The remaining 50% interest is owned by Inter-RAO PJSC.
- Forum Muider B.V. – 50%. The remaining 50% is owned by UC RUSAL.

The Group has shares in associated companies “Energia Semirechia” LLP (25%) and “Balkhash TPP” JSC (50% minus 1 share). Energia Semirechia provides services on production and sale of electricity, design and construction of facilities using renewable sources of energy, design and construction. Shareholders of “Energia Semirechia” are «Hydrochina Corporation» (50%), «Samruk Energy» JSC (25%), «Powerchina Chegdu Engineering Corporation» (15%), and Powerchina Resources Ltd (10%). Balkhash TPP is registered in the RoK and established by the Group in 2008 for the construction of the Balkhash thermal power plant. Entity's shareholders are Samsung C&T and the Company, share participation of 50% + 1 shares and 50% - 1 share, respectively, as of 30 September 2019 (Note 4).

10 Other Non-Current Assets

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Long-term receivables	8,351,717	9,936,270
Bonds	2,069,778	2,543,159
Less: impairment provision	(24,410)	(288,944)
Total other financial non-current assets	10,397,085	12,190,485
Prepayments for non-current assets	3,599,896	1,418,506
Non-current VAT recoverable	1,118,378	1,116,463
Other	186,334	179,488
Total other non-current assets	15,301,693	14,904,942

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10 Other Non-Current Assets (Continued)

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

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Construction and reconstruction of substations in Almaty and Almaty region	3,216,934	934,240
Modernisation of Shardarinskaya HPP	301,766	484,266
Other	81,196	-
Total prepayments for non-current assets	3,599,896	1,418,506

11 Inventories

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Auxiliary production materials	5,102,031	5,241,855
Fuel	4,673,081	4,041,794
Spare parts	1,173,043	739,976
Other materials	457,658	323,453
Raw materials	29,380	24,854
Less: provision for write down to net realisable value and provision for slow-moving and obsolete inventories	(996,881)	(993,814)
Total inventories	10,438,312	9,378,118

12 Trade and Other Receivables

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Trade receivables	21,763,526	24,538,649
Less: impairment provision	(1,084,787)	(1,170,314)
Total financial trade receivables	20,678,739	23,368,335
Other receivables	3,967,173	4,122,563
Less: impairment provision	(3,567,801)	(3,577,484)
Total trade and other receivables	21,078,111	23,913,414

Company's financial trade and other receivables are denominated in thousands tenge as at 30 September 2019 and 31 December 2018. Their carrying amounts approximate their fair values due to the short-term nature. As of 30 September 2019 the receivable from Maikuben West LLP was fully impaired for the amount of Tenge 3,449,416 thousand (2018: Tenge 3,477,982 thousand).

* - comparative information has been adjusted to reflect the transfer of assets and liabilities from a disposal group held for sale (Note 2).

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13 Other Current Assets

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Reimbursement receivable for BTPP (Note 4)	69,838,200	69,156,000
Restricted cash	6,040,916	13,853,678
Other receivables	5,706,283	5,171,414
Dividends receivable	3,413,316	421
Bonds	32,981	29,449
Term deposits	1,680	2,286,731
Loans given	-	104,228
Less: impairment provision	(597,501)	(1,222,362)
Total other financial current assets	84,435,875	89,379,559
VAT recoverable and prepaid taxes	1,678,795	1,011,498
Advances to suppliers	1,243,504	1,184,095
Assets held for the benefit of the Shareholder	363,571	1,377,916
Other	2,501,175	1,086,536
Less: impairment provision	(357,544)	(363,652)
Total other current assets	89,865,376	93,675,952

As of 30 September 2019 other receivables for the amount of Tenge 4,663,581 thousand include short-term debt of customers of subsidiaries that were sold during 2017 for Tenge 2,085,454 thousand, as well as accounts receivable from Tauba Invest LLP for Tenge 1,443,370 thousand, including impairment of Tenge 130,760 thousand (2018: Tenge 2,218,131 thousand, including impairment of Tenge 716,319 thousand).

14 Cash and Cash Equivalents

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Deposits on demand	3,877,204	4,075,646
Cash at current bank accounts	3,412,606	9,529,030
Cash on hand	17,253	19,489
Total cash and cash equivalents	7,307,063	13,624,165

Deposits on demand have contractual maturity terms less than three months or are repayable on demand.

Cash and cash equivalents are denominated in the following currencies:

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Kazakhstan Tenge	7,302,933	12,023,785
US Dollar	3,976	1,493,875
Other currencies	154	106,505
Total cash and cash equivalents	7,307,063	13,624,165

* - comparative information has been adjusted to reflect the transfer of assets and liabilities from a disposal group held for sale (Note 2).

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15 Equity

Share capital

At 30 September 2019, 5,601,687 issued ordinary shares were fully paid (2018: 5,601,687 shares fully paid). Each ordinary share carries one vote. The Company does not have any preference shares. The number of authorised shares is 8,602,187.

On 23 April 2019, the Group declared dividends to its only Shareholder for amount of Tenge 2,041,000 thousand – Tenge 364.35 per share (15 June 2018: Tenge 2,041,000 thousand). As of 20 June 2019 dividends were fully repaid.

KASE listing requirements include disclosure of the book value of one share. As of 30 September 2019, this indicator, calculated by the management of the Company on the basis of the financial statements, is equal to Tenge 85,244 (31 December 2018: Tenge 84,839).

Other reserves

<i>In thousands of Kazakhstani Tenge</i>	Merger reserve	Result of transactions with shareholder	Other comprehensive income/(loss)	Total
Balance at 1 January 2019	37,282,287	90,607,549	(476,927)	127,412,909
Other comprehensive loss	-	-	(139,112)	(139,112)
Balance at 30 September 2019	37,282,287	90,607,549	(616,039)	127,273,797

16 Borrowings

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Non-current portion		
Bank term loans	141,681,829	164,318,418
Loans from Samruk-Kazyna	60,996,981	59,693,110
Bonds issued	24,795,347	41,648,019
Loans from customers	1,243,092	1,299,563
Total borrowings – non-current portion	228,717,249	266,959,110
Current portion		
Bank term loans	48,819,975	38,961,930
Loans from Samruk-Kazyna	2,728,777	2,600,608
Bonds issued	867,256	1,134,078
Loans from customers	434,801	707,043
Total borrowings – current portion	52,850,809	43,403,659
Total borrowings	281,568,058	310,362,769

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16 Borrowings (Continued)

Carrying amount of borrowings by the Group companies is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Effective interest rate,%	30 September 2019	31 December 2018 (restated*)
<i>Samruk-Energy</i>			
Samruk-Kazyna	7.42%-12.11%	63,725,758	62,293,718
Asian Development Bank	3.75%-4.5%+All in cost	46 154 808	-
Bonds	10.92%-12.88%	25,662,603	42,782,097
European bank for reconstruction and development	3%-4%+All in cost	21,373,740	31,608,886
Sberbank JSC SB	10.9%	-	2,250,655
Total Samruk-Energy		156,916,909	138,935,356
<i>AZHK</i>			
Halyk Bank of Kazakhstan JSC	12.9% -13.40%	10,124,447	15,927,688
Loans from customers	0%	1,677,894	2,006,606
Total AZHK		11,802,341	17,934,294
<i>Almaty Power Stations LLP</i>			
Halyk Bank of Kazakhstan JSC	11,8% - 13.4%	23,547,873	30,865,441
Total Almaty Power Stations LLP		23,547,873	30,865,441
<i>Moinak Hydro Power Station JSC</i>			
State Development Bank of China	6MLIBOR+1.2%	-	54,305,480
Development Bank of Kazakhstan JSC	1.15%*6MLIBOR+1.15%, 7.55%, 8%, 12%	17,435,916	19,848,705
Total Moinak Hydro Power Station JSC		17,435,916	74,154,185
<i>AlmatyEnergSbyt LLP</i>			
Halyk Bank of Kazakhstan JSC	11.7 %	2,406,861	2,491,393
Total AlmatyEnergSbyt LLP		2,406,861	2,491,393
<i>PVES LLP</i>			
Eurasian Development Bank	10.62-12.64%	7,723,353	9,166,840
Total PVES LLP		7,723,353	9,166,840
<i>Shardarinskaya HPP JSC</i>			
European bank for reconstruction and development	12.42%	24,308,252	13,763,824
Total Shardarinskaya HPP JSC		24,308,252	13,763,824
<i>EGRES-1</i>			
Halyk Bank of Kazakhstan JSC	11.5%	20,685,207	-
Sberbank JSC SB	12.1%	16,741,346	23,051,436
Total EGRES-1		37,426,553	23,051,436
Total borrowings		281,568,058	310,362,769

The accompanying notes on pages 6 to 34 are an integral part of these condensed consolidated interim financial statements

16 Borrowings (Continued)

For nine months ended 30 September 2019 the following significant changes in loans:

Samruk-Energy

During nine months of 2019 on the Kazakhstan Stock Exchange trading system, specialized trades were conducted on partial and early redemption of 16,872,498 pcs of bonds within the first bond program. Trades resulted in Samruk-Energy JSC repurchasing its own issued bonds for Tenge 17,942,210 thousand, including principal amount (total nominal value of bonds) of Tenge 17,655,846 thousand and a coupon interest of Tenge 286,364 thousand.

During nine months of 2019, the Company repaid the principal on a loan from the European Bank for Reconstruction and Development of Tenge 10,354,872 thousand.

During nine months of 2019, Samruk-Energy JSC repaid borrowings under a revolving credit facility at JSC SB Sberbank for a total of Tenge 28,400,000 thousand and at Halyk Bank of Kazakhstan JSC for a total of Tenge 20,000,000 thousand.

30 January 2019, the company received tranches from ADB under the Credit Line Agreement dated 8 November 2018 totalling Tenge 45,860,800 thousand (on the credit line A – 15,392,000 thousand for 5 years, on the credit line B - Tenge 15,234,400 thousand for 5 years, on the credit line C - Tenge 15,234,400 thousand for 7 years).

AZHK

During the 9 months ended on 30 September 2019, the Company performed early redemption of the principal amount of Tenge 7,717,815 thousand on a loan from Halyk Bank of Kazakhstan JSC within the current credit line for working capital replenishment.

ALES

During nine months ended on 30 September 2019, the Company performed early redemption of the principal amount of Tenge 5,535,090 thousand on the loan from Halyk Bank of Kazakhstan JSC within the current credit line for working capital replenishment.

Moinak Hydro Power Station JSC

During nine months ended on 30 September 2019, Moinak Hydro Power Station JSC (the "MHPP") performed early redemption of a foreign currency loan raised from the State Development Bank of China of US Dollar 136,337,142, the equivalent in Tenge at the maturity date was Tenge 51,587,248 thousand.

Shardarinskaya HPP JSC

As part the loan agreement between Shardarinskaya HPP JSC, EBRD and Samruk-Energy JSC, the loan amount was increased from Tenge 14,350,000 thousand to Tenge 25,870,000 thousand, during nine months of 2019. Shardarinskaya HPP JSC has acquired cash of Tenge 11,520,000 thousand to implement Modernization of the Shardarinskaya HPP project.

EGRES-1

During nine months of 2019, EGRES-1 LLP has acquired Tenge 20,525,000 thousand on a revolving credit line from Halyk Bank of Kazakhstan JSC for a year.

For all other loans, the Group paid principal and accrued interest in accordance with loan agreements.

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17 Trade and Other Payables

<i>In thousands of Kazakhstani Tenge</i>	30 September 2019	31 December 2018 (restated*)
Payables to Samsung C&T on BTPP (Note 4)	69,838,200	69,156,000
Trade payables	15,860,210	14,048,376
Payable to Almaty Akimat (Note 4)	5,841,514	5,841,514
Dividends payable	895,316	834,849
Finance leases	700,381	144,244
Other financial trade payables	541,464	1,122,723
Total financial trade payables	93,677,085	91,147,706
Other payables	2,199,619	2,183,661
Accrued provisions for unused vacations	1,812,902	1,867,581
Advances received from customers	1,779,883	1,941,232
Salaries payable	1,082,767	1,667,526
Other distributions to Shareholder	-	1,184,095
Total trade and other payables	100,552,256	99,991,801

As of 30 September 2019 and 31 December 2018 the Company's financial trade payables to Samsung C&T are denominated in US Dollars and are USD 180,000 thousand.

18 Revenue

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Sales of electricity	146,215,611	167,078,904	55,678,602	55,150,381
Sales of heating energy	10,276,020	13,674,700	1,309,593	1,603,049
Income from maintenance of electric power capacity	4,331,013	-	1,458,480	-
Rental income from renewable energy sources	3,294,045	3,366,097	901,031	803,139
Rental income from investment property	2,937,352	2,594,440	987,407	909,368
Income from transmission of electricity	2,623,584	3,948,508	869,112	1,057,037
Sales of chemically purified water	1,135,447	1,336,161	373,902	454,379
Other	441,397	108,457	131,629	61,233
Total revenue	171,254,469	192,107,267	61,709,756	60,038,586

* - comparative information has been adjusted to reflect the transfer of assets and liabilities from a disposal group held for sale (Note 2).

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19 Cost of sales

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Depreciation of property, plant and equipment and amortisation of intangible assets	40,699,830	35,717,035	13,811,663	12,059,522
Fuel	30,299,446	40,119,185	9,203,728	10,582,141
Cost of purchased electricity	19,562,704	8,683,756	7,961,373	2,889,560
Payroll and related expenses	18,289,829	17,839,652	5,917,760	5,836,844
Electricity transmission and other services	7,639,894	7,503,427	3,148,828	2,589,234
Taxes other than on income tax	6,476,843	6,743,975	2,347,183	2,148,980
Repairs and maintenance	3,878,718	4,306,714	2,121,228	2,009,443
Third party services	3,643,028	5,583,459	1,245,628	1,879,358
Water supply	2,859,637	3,549,686	1,159,679	1,275,082
Materials	1,164,868	1,188,579	396,461	359,056
Electricity losses on transmission	1,073,544	144,067	393,946	78,179
Security services	814,422	770,009	274,591	265,775
Accrual/(reversal) of provision on obsolete and slow-moving inventories	46,839	(5,409)	31,011	34,200
Rent services	36,770	148,582	5,517	52,784
Other	2,055,222	2,054,892	686,132	687,529
Total cost of sales	138,541,594	134,347,609	48,704,728	42,747,687

20 Selling Expense

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Electricity transmission	5,260,413	10,455,853	2,973,482	1,347,994
Payroll and related expenses	32,161	10,722	9,429	3,094
Dispatch and electricity control	-	917,517	-	919,690
Other	3,888	8,698	3,578	1,723
Total selling expense	5,296,462	11,392,790	2,986,489	2,272,501

Change in selling expense is due to an increase in the volume of electricity sales for export, in particular to the Russian Federation.

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21 General and Administrative Expenses

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Payroll and related expenses	4,608,420	4,129,168	1,481,581	1,451,664
Depreciation of property, plant and equipment and amortisation of intangible assets	847,219	629,448	282,223	171,078
Consulting and other professional services	474,248	1,237,564	130,057	291,767
Security services	308,215	227,450	103,841	168,685
Taxes other than on income	262,813	343,349	109,561	84,379
Business trip and representative expenses	216,300	171,817	78,829	66,984
Materials	141,864	138,597	50,182	46,664
Repairs and maintenance	106,571	112,326	36,001	41,561
Communication expenses	82,810	100,862	27,584	38,248
Insurance	78,326	77,932	26,186	27,626
State duty	64,273	36,775	51,925	14,477
Bank fees	59,163	70,172	26,226	23,021
Rent expense	56,217	513,849	17,086	175,681
Transportation expenses	20,992	14,537	8,861	7,745
Charge/(reversal) of provision for impairment of trade and other receivables and other current assets	(63,268)	198,795	(14,987)	(245,943)
Expenses on EXPO	-	763,348	-	-
Other	1,159,604	1,012,216	357,265	304,912
Total general and administrative expenses	8,423,767	9,778,205	2,772,421	2,668,549

22 Finance Income

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Interest income on bank deposits	892,575	912,148	169,572	166,408
Income from unwinding of discount on non-current receivables	565,188	634,417	192,702	284,822
Foreign exchange gains less losses	362,335	-	-	-
Interest income on bonds	156,814	100,332	48,969	42,057
Other	210,183	27,949	46,361	7,865
Total finance income	2,187,095	1,674,846	457,604	501,152

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23 Finance Costs

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Interest expense on borrowings	15,490,555	18,052,821	5,578,506	5,229,560
Interest expense on bonds	1,956,709	1,962,608	(73,091)	644,147
Losses on bonds redemption	783,348	-	-	-
Dividends on preference shares of subsidiaries	105,830	105,830	35,276	35,280
Foreign exchange losses less gains	-	5,494,666	255,681	3,507,635
Unwinding of the present value of discount:				
- loans and financial aids from Shareholder	3,849,228	3,406,956	1,493,764	1,165,165
- loans from customers	218,579	185,514	111,708	61,599
- provision for ash dump restoration	123,205	126,961	41,442	43,750
- employee benefit obligations	113,600	91,281	-	61,803
- bonds issued	19,825	47	4,810	-
Other	2,088,023	779,641	867,225	116,082
Total finance costs	24,748,902	30,206,325	8,315,321	10,865,021

24 Income Tax

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Current income tax expense	4,583,328	6,879,473	1,925,216	2,610,535
Deferred income tax expense	(1,163,761)	(231,190)	(983,993)	(411,736)
Total income tax expense	3,419,567	6,648,283	941,223	2,198,799

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24 Income Tax (Continued)

Reconciliation between the expected and the actual taxation charge is provided below:

<i>In thousands of Kazakhstani Tenge</i>	Nine months ended 30 September 2019	Nine months ended 30 September 2018 (restated*)	Three months ended 30 September 2019	Three months ended 30 September 2018 (restated*)
Profit/(loss) before income tax under IFRS	7,054,883	16,861,632	2,415,688	3,783,731
Theoretical tax expense at statutory rate of 20% (2018: 20%)	1,410,976	3,372,326	483,138	756,746
Adjustments for:				
Share in profit of joint ventures and associates not subject to income tax	(1,825,648)	(1,537,170)	(463,869)	(210,016)
Other non-deductible expenses	14,589,237	663,003	513,316	131,692
Temporary differences to be recognised upon termination of investment contract	192,250	212,429	75,069	78,479
Withholding tax	66,827	33,462	1,452	2,641
Adjustment of prior years' income tax	(680,269)	-	(129,777)	-
Changes in unrecognised deferred income tax assets	(10,201,012)	3,638,949	453,449	1,064,893
Profit of Moinak HPS exempt from income tax	(132,794)	265,284	8,445	374,364
Total income tax expense	3,419,567	6,648,283	941,223	2,198,799

* In connection with the recognition in tax accounting of the effect of an operation to recognize an asset and a liability for BTES, expenditure the component of this operation in tax accounting is not deductible, according to the Tax Code of the Republic of Kazakhstan.

25 Contingencies, Commitments and Operating Risks

In addition to the information below, as of 30 September 2019 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 2018.

Legal cases

In the course of normal course of business, the Group is subject to litigations and claims. Currently, the Group's management believes that final obligations, if any, arising from such litigations and claims will not have any significant adverse effect on the future financial position of the Group.

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 2019. The Group has sufficient financial resources to fulfill its capital commitments and ensure availability working capital.

As at 30 September 2019 the Group had contractual commitments to purchase the property, plant and equipment for Tenge 155,038,947 thousand (31 December 2018 : Tenge 163,374,052 thousand).

25 Contingencies, Commitments and Operating Risks (continued)

Capital commitments of joint ventures and associates

As at 30 September 2019 the Group's share in capital expenditure commitments of Forum Muider and ERGES-2 comprised of Tenge 15,547,401 and 24,181,643 thousand respectively (31 December 2018 : Tenge 23,657,036 thousand and Tenge 23,996,285 thousand respectively).

Compliance with covenants

The Group has certain covenants on loans and bonds. Failure to comply with these covenants may result in negative consequences for the Group, including the growth of borrowing costs and the announcement of the default. As of 30 September 2019 the Group was in compliance with its covenants.

26 Fair Value of Financial Instruments

Fair value measurement

The Group classifies its financial instruments at three levels established in accordance with IFRS. Fair value measurements are analyzed by level in the fair value hierarchy as follows: (i) level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level 2 measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level 3 measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Fair values analyzed 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 2019				31 December 2018 (restated*)			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
ASSETS								
Cash and cash equivalents	-	7,307,063	-	7,307,063	-	13,624,165	-	13,624,165
Restricted cash	-	6,095,181	-	6,095,181	-	13,529,949	-	13,529,949
Term deposit	-	1,655,825	-	1,655,825	-	2,255,927	-	2,255,927
Financial receivables	-	20,678,739	-	20,678,739	-	23,368,335	-	23,368,335
Other financial receivables	-	73,745,337	-	73,745,337	-	73,015,816	-	73,459,585
Long-term receivables	-	7,677,507	-	8,351,717	-	9,255,653	-	9,709,486
Dividends receivable	-	-	3,413,316	3,413,316	-	-	421	421
Loans given	-	-	-	-	-	-	104,228	104,228
Bonds purchased	-	1,089,457	648,880	2,103,666	-	1,136,872	1,311,150	2,510,448
Total financial assets	-	118,249,109	4,062,196	123,350,844	-	136,186,717	1,415,799	138,562,544

In thousands of Kazakhstani Tenge	30 September 2019				31 December 2018 (restated*)			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
LIABILITIES								
Borrowings	-	219,954,691	-	281,568,057	-	334,848,802	-	310,362,769
Financial payables	-	92,976,704	-	92,976,704	-	91,147,706	-	91,147,706
Non-current trade payables	-	-	2,547,003	2,547,003	-	-	2,805,502	2,805,502
Lease liabilities	-	-	2,565,393	2,622,624	-	-	563,051	545,636
Total financial liabilities	-	312,931,395	5,112,396	379,714,388	-	425,996,508	3,368,553	404,861,613

26 Fair Value of Financial Instruments (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.

27 Events Occurring After the Reporting Period

During October 2019, "Ekibastuz GRES-1" LLP received several tranches of loan from Halyk Bank JSC for a total of Tenge 5,000,000 thousand to replenish working capital for a period of 1 year with interest rate of 10.75% per annum.

During October-November 2019 "Almaty Power Plants" JSC received several tranches of loan from Halyk Bank JSC for a total of 3.7 billion Tenge to replenish working capital for a period of 1 year with interest rate of 11.00% per annum.

Since September 30 till November 2019 "Almaty Power Plants" JSC made repayments of several tranches of loan from Halyk Bank JSC for a total amount of 3.5 billion Tenge (3.1 billion Tenge – principal, 470.6 million Tenge – interest).

On October 7, 2019, PVES LLP made an early repayment of a loan from the EDB including accumulated interest totaling 7.8 billion Tenge. The weighted average interest rate is 11.5% per annum. Due to this factor, and the conclusion of Agreement on termination of the loan agreement No. 107 dated April 29, 2013 on October 14, 2019 between the EDB and PVES LLP, the guarantee of Samruk-Energy JSC was released in favour of the EDB.

In accordance with the Settlement agreement and withdrawal of claims payment to Samsung C&T was made.

During November 2019 "Ekibastuz GRES-1" LLP made an early repayment of principal and accumulated interest of NBK loan for a total amount of 3,298 billion Tenge (3.275 billion Tenge – principal, 22,679 million Tenge – interest). The weighted average interest rate is 10.75% per annum.