



SAMRUK-ENERGY JSC

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

30 June 2023

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REPORT ON REVIEW

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Report on Review of Condensed Separate Interim Financial Statements

To the Shareholder and Board of Directors of Samruk-Energy JSC

Introduction

We have reviewed the accompanying condensed separate interim statement of financial position of Samruk-Energy JSC (the "Company") as at 30 June 2023 and the related condensed separate interim statements of profit or loss and other comprehensive income for the three-month and six-month period then ended, condensed separate interim statements of changes in equity and cash flows for the six-month period then ended and the related explanatory notes. Management is responsible for the preparation and presentation of these condensed separate interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed separate interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers LLP

3 August 2023
Almaty, Kazakhstan

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

<i>In thousands of Kazakhstani Tenge</i>	Note	30 June 2023 (unaudited)	31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment		272,046	320,100
Intangible assets		631,958	697,765
Right-of-use assets		809,905	927,762
Investments in subsidiaries, jointly controlled entities	5	523,499,199	521,962,326
Loans given and investments in debt securities	6	27,988,930	36,645,365
Other non-current assets		557,818	562,390
Total non-current assets		553,760,456	561,115,774
Current assets			
Inventories		17,822	19,317
Loans given and investments in debt securities	6	18,511,424	15,632,164
Other current assets	7	14,727,469	8,838,129
Cash and cash equivalents	8	12,034,137	22,029,475
Total current assets		45,290,852	46,519,085
TOTAL ASSETS		599,051,308	607,634,859
EQUITY			
Share capital	9	378,531,570	378,531,570
Other reserves		89,220,724	89,220,724
Accumulated deficit		(27,946,042)	(39,788,431)
TOTAL EQUITY		439,806,252	427,963,863
LIABILITIES			
Non-current liabilities			
Borrowings	10	127,275,948	127,830,765
Lease liabilities		731,842	806,766
Other non-current liabilities		166,715	166,715
Total non-current liabilities		128,174,505	128,804,246
Current liabilities			
Borrowings	10	27,702,710	47,176,862
Lease liabilities		360,014	351,994
Other payables and accrued liabilities	11	2,965,546	3,253,135
Other taxes payable		42,281	84,769
Total current liabilities		31,070,551	50,866,750
TOTAL LIABILITIES		159,245,056	179,670,996
TOTAL LIABILITIES AND EQUITY		599,051,308	607,634,859

Signed on behalf of the Management on 3 August 2023.

Aidar S. Ryskulov
 Managing Director of Economics and
 Finance



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

The accompanying notes are an integral part of these financial statements

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

<i>In thousands of Kazakhstani Tenge</i>		Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
	Note				
Dividend income	12	34,474,169	32,552,145	5,290,763	1,954,202
Other operating income and expense, net		(947,162)	34,127	(948,769)	(364)
General and administrative expenses	13	(3,039,047)	(2,748,377)	(1,737,017)	(1,470,725)
Operating profit		30,487,960	29,837,895	2,604,977	83,113
(Loss on)/gain from reversal of impairment of financial assets, net	14	(12,219,029)	316,379	(12,177,427)	355,813
Finance income	15	5,558,353	6,258,907	3,170,444	1,986,408
Finance costs	16	(9,851,784)	(13,452,483)	(4,621,460)	(6,784,157)
Profit/(loss) before tax		13,975,500	22,960,698	(11,023,466)	(3,958,823)
Income tax expense	17	(92,111)	(14,628)	(40,863)	(4,611)
Profit/(loss) for the period		13,883,389	22,946,070	(11,064,329)	(3,963,434)
Total comprehensive income/(loss) for the period		13,883,389	22,946,070	(11,064,329)	(3,963,434)

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

<i>In thousands of Kazakhstani Tenge</i>	Note	Share capital	Other reserves	Accumulated deficit	Total equity
Balance at 1 January 2022		376,045,927	89,328,998	(33,095,568)	432,279,357
Profit for the period (unaudited)		-	-	22,946,070	22,946,070
Total comprehensive income for the period (unaudited)		-	-	22,946,070	22,946,070
Dividends declared	9	-	-	(2,041,000)	(2,041,000)
Balance at 30 June 2022 (unaudited)		376,045,927	89,328,998	(12,190,498)	453,184,427
Balance at 1 January 2023		378,531,570	89,220,724	(39,788,431)	427,963,863
Profit for the period (unaudited)		-	-	13,883,389	13,883,389
Total comprehensive income for the period (unaudited)		-	-	13,883,389	13,883,389
Dividends declared	9	-	-	(2,041,000)	(2,041,000)
Balance at 30 June 2023 (unaudited)		378,531,570	89,220,724	(27,946,042)	439,806,252

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

<i>In thousands of Kazakhstani Tenge</i>	Note.	6 months ended 30 June 2023 (unaudited)	6 months ended 30 June 2022 (unaudited)
Cash flows from operating activities :			
Profit before tax		13,975,500	22,960,698
Adjustments for:			
Dividend income	12	(34,474,169)	(32,552,145)
Depreciation and amortization		246,856	233,860
Finance costs	16	9,851,784	13,452,483
Finance income	15	(5,558,353)	(6,258,907)
Loss on/(gain on reversal of) impairment of assets, (net)		13,167,800	(316,379)
Foreign exchange gain		(1,121)	(34,740)
Other		6,505	(3,531)
Cash flows used in operating activities before working capital changes:			
		(2,785,198)	(2,518,661)
Change in inventories		1,495	27,053
Change in trade receivables and other current assets		109,101	105,968
Change in other payables		(208,790)	(30,007)
Change in other taxes payable		(49,756)	(6,169)
Cash used in operating activities			
		(2,933,148)	(2,421,816)
Income tax paid		(92,991)	(14,628)
Dividends received		27,724,169	11,922,145
Interest paid		(5,497,661)	(8,087,301)
Net cash from operating activities			
		19,200,369	1,398,400
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(99,816)	(393,638)
Borrowings and financial aid provided to subsidiaries and parent company	6	(14,209,688)	(2,518,700)
Contribution to equity of subsidiaries and exercising the right of preemptive purchase of shares		(2,485,644)	(1,790,953)
Return of bank deposits, net		1,391,000	5,500
Interest received		3,555,390	3,151,612
Proceeds from repayment of loans and financial aid provided to subsidiaries and parent company	6	5,000,000	3,031,331
Proceeds from repayment of financial instruments	6	2,500,000	11,700,000
Proceeds from repayment of other receivables		174,975	-
Proceeds from sale of financial instruments	6	384,600	192,300
Net cash (used in)/from investing activities			
		(3,789,183)	13,377,452
Cash flows from financing activities:			
Proceeds from borrowings	10	6,720,218	23,000,000
Repayment of borrowings	10	(27,647,535)	(32,555,518)
Repayment of loans from Samruk-Kazyna	10	(2,381,109)	(2,381,109)
Lease principal repayment		(64,921)	(90,840)
Dividends paid to the Shareholder	9	(2,041,000)	(2,041,000)
Net cash used in financing activities			
		(25,414,347)	(14,068,467)
Foreign exchange effect on cash and cash equivalents		5,848	36,548
Change in impairment allowance		1,975	151
Net (decrease)/increase in cash and cash equivalents			
		(9,995,338)	744,084
Cash and cash equivalents at the beginning of the year	8	22,029,475	1,481,340
Cash and cash equivalents at the end of the reporting period	8	12,034,137	2,225,424

The accompanying notes are an integral part of these financial statements

1 The Company and Its Operations

Samruk-Energy JSC (the Company) was established on 18 April 2007 and registered on 10 May 2007. The Company is a joint stock company set up in accordance with the legislation of the Republic of Kazakhstan.

The Company's sole shareholder is Samruk-Kazyna Sovereign Wealth Fund JSC ("Samruk-Kazyna"), which holds 100% shares of the Company. The Company's ultimate controlling party is the Government of the Republic of Kazakhstan.

Principal activity

The Company is a holding company (the "Company"), including a number of companies (Note 5), which is engaged in production of electricity, heat and hot water using coal, hydrocarbons, water resources and renewable energy sources ("RES"), sale to households and industrial enterprises, transmission of electricity and technical distribution of electricity within the network, and lease of hydro power plants' property.

Registered address and place of business of the Company: 15A Kabanbay Batyr Avenue, Astana city, Republic of Kazakhstan.

2 Basis of Preparation and Significant Accounting Policies

Basis of preparation

These condensed separate interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with IAS 34 "Interim financial statements".

The condensed separate interim financial statements do not include all notes that are normally included in the annual financial statements. Therefore, these condensed separate interim financial statements should be read in conjunction with the annual separate financial statements of the Group for the year ended 31 December 2022, which have been prepared in accordance with IFRS. The principal accounting policies applied in the preparation of these condensed separate interim financial statements are consistent with those of the previous financial year except for accounting for income taxes.

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

Apart from that the Company has prepared the condensed interim consolidated financial statements in accordance with the International Accounting Standard 34 «Interim Financial Reporting» referring to the Company and its subsidiaries.

Amendments to standards effective from 1 January 2023 did not have significant impact on the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued, but is not yet effective.

Exchange rates

As of 30 June 2023, the official exchange rate used to translate balances in foreign currency was Tenge 452.51 for 1 US dollar (31 December 2022: Tenge 462.65 for 1 US dollar).

Going concern

Management has prepared these condensed interim separate financial statements on a going concern basis. This implies the disposal of assets and settlement of liabilities in the normal course of business for the foreseeable future.

3 Critical Accounting Estimates and Judgements in Applying Accounting Policies

While preparing the condensed separate interim financial statements, the Company uses estimates and makes assumptions that affect the applicable accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The applicable critical accounting estimates and judgments correspond to those applied in the preparation of the annual financial statements for the year ended 31 December 2022, except for the calculation of income tax provisions and adoption of new and amended standards.

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

Indicators of impairment of investments in subsidiaries - production of electricity and heat based on coal, transmission and distribution of electricity

As of 30 June 2023, the Company's management carried out an analysis as to whether there were impairment indicators in its investments in subsidiaries, including its investments in Ekibastuz GRES-1 named after Bulat Nurzhanov LLP (hereinafter referred to as EGRES-1), Alatau Zharyk Company JSC ("AZhC"), Almaty Power Stations JSC ("ALES") and the joint venture JSC "Station Ekibastuzskaya GRES-2" (hereinafter "SEGRES-2") conducted in accordance with IAS 36 Impairment of Assets.

As a result of the analysis of external and internal impairment indicators, the Company's management concluded that there were no impairment indicators at the date of the analysis. Accordingly, the Company's management has elected not to test for impairment of investments in these subsidiaries and joint venture at 30 June 2023.

Ereymentau Wind Power LLP

The Company has identified an individual indicator of impairment of investment in Ereymentau Wind Power LLP due to the delay in the implementation of the project for the construction of a 50 MW wind farm in the city of Ereymentau and litigation by Ereymentau Wind Power LLP with Settlement and Financial Center for Renewable Energy Support LLP regarding the extension of the contract for the receipt of a tariff for the sale of electricity. The Company has recognized a full impairment of the investment in Ereymentau Wind Power LLP in the amount of Tenge 948,771 thousand (31 December 2022: accumulated impairment loss amounted to Tenge 8,304,770 thousand) (Note 5).

4 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 in compliance with terms consistently applied to all public and private entities i) when they are not individually significant, ii) if the Company'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 etc.

The Company purchases from and sells goods to a large number of government related entities. Such purchases and sales are individually insignificant and are generally entered into on an arm's length basis.

The outstanding balances with related parties as at 30 June 2023 are as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Loan issued to subsidiaries	-	-	45,667,427
Interest receivable on loans issued	-	-	790,635
Dividends receivable	-	-	6,750,479
Trade and other payables	-	746,208	146,698
Borrowings	76,122,638	-	17,146,281

The outstanding balances with related parties as at 31 December 2022 are as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Loan given to subsidiaries	-	-	51,198,130
Trade and other receivables	-	-	2,484
Interest receivable on loans issued	-	-	667,744
Dividends receivable	-	-	488
Trade and other payables	-	719,616	309,362
Borrowings	75,136,659	-	30,681,664

4 Balances and Transactions with Related Parties (Continued)

The income and expense items with related parties for six months ended 30 June 2023 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Dividend income	-	-	34,474,169
Finance income	-	-	3,594,856
Finance costs	4,049,324	-	1,381,291
Impairment of assets, (net)	-	-	(12,762,502)
General and administrative expenses	-	173,775	362,074

The income and expense items with related parties for six months ended 30 June 2022 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Dividend income	-	-	32,552,145
Finance income	-	-	5,821,658
Finance costs	3,805,379	-	1,777,456
Impairment of assets, (net)	-	-	(30,120)
General and administrative expenses	-	99,014	363,774

The income and expense items with related parties for three months ended 30 June 2023 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Dividend income	-	-	5,290,763
Finance income	-	-	1,716,893
Finance costs	2,009,931	-	572,632
Impairment of assets, (net)	-	-	(12,720,826)
General and administrative expenses	-	84,815	182,406

The income and expense items with related parties for three months ended 30 June 2022 were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Shareholder	Companies under common control	Subsidiaries and joint ventures
Dividend income	-	-	5,290,763
Finance income	-	-	1,716,893
Finance costs	2,009,931	-	572,632
Impairment of assets, (net)	-	-	(12,720,826)
General and administrative expenses	-	84,815	182,406

As at 30 June 2023, the Company received the following guarantees from related parties:

- Corporate guarantee of Samruk-Kazyna in the amount of Tenge 12,285,000 thousand under a loan agreement with the Development Bank of Kazakhstan (31 December 2022: Tenge 12,285,000 thousand)
- Government guarantee in the amount of USD 25,000,000 under the loan agreement with the Development Bank of Kazakhstan (31 December 2022: USD 25,000,000).
- Corporate guarantee of Samruk-Kazyna in the amount of Tenge 130,000,000 thousand under the loan agreement of AIES JSC with the EBRD (European Bank for Reconstruction and Development), purpose is to finance the project on transfer of Almaty CHP-2 to gas. The Group also signed a guarantee agreement with Samruk-Kazyna in the amount of Tenge 130,000,000 thousand within the guarantee provided by Samruk-Kazyna to EBRD as a collateral on loan agreement between AIES and EBRD. This loan has not yet been drawdown.

4 Balances and Transactions with Related Parties (Continued)

- Corporate guarantee of Samruk-Kazyna in the amount of 98,000,000 thousand tenge under the loan agreement of AIES JSC with the ADB (Asian Development Bank), purpose is to finance the project on transfer of Almaty CHP-2 to gas. The Group also signed a guarantee agreement with Samruk-Kazyna in the amount of Tenge 98,000,000 thousand within the guarantee provided by Samruk-Kazyna to ADB as a collateral on loan agreement between AIES and ADB. This loan has not yet been drawdown.

Key management compensation for six months ended 30 June 2023, including salaries, bonuses, taxes and other short-term benefits to employees, is Tenge 271,681 thousand (for the period ended 30 June 2022: Tenge 101,394 thousand). These amounts include remuneration to independent directors – members of the Board of Directors in the total amount of Tenge 18,693 thousand for the six months ended 30 June 2023 (for the period ended 30 June 2022: Tenge 29,405 thousand).

5 Investments in Subsidiaries, Jointly Controlled Entities and Associates

The information on the value of investments as of 30 June 2023 is as follows:

	Date of acquisition	Country of registration	30 June 2023		31 December 2022	
			Investment amount (in Tenge thousand)	Ownership percentage	Investment amount (in Tenge thousand)	Ownership percentage
Subsidiaries						
Ekibastuz GRES-1 named after Bulat Nurzhanov LLP	31.10.2012	Kazakhstan	331,003,748	100%	331,003,748	100%
Alatau Zharyk Company JSC	29.07.2009	Kazakhstan	65,400,588	100%	62,914,945	100%
Almaty Power Stations JSC	26.07.2011	Kazakhstan	34,061,653	100%	34,061,653	100%
Qazaq Green Power PLC	04.11.2022	Kazakhstan	37,942,210	100%	37,942,210	100%
Shardarinsk HPP JSC	03.06.2011	Kazakhstan	2,524,772	100%	2,524,772	100%
Bukhtarminsk HPP JSC	04.01.2008	Kazakhstan	1,838,100	96%	1,838,100	96%
AlmatyEnergoSbyt LLP	26.07.2011	Kazakhstan	136,003	100%	136,003	100%
Energy Solutions Center LLP	16.03.2019	Kazakhstan	107,449	100%	107,449	100%
Jointly controlled entities and associates						
Forum Muider B.V.	23.12.2008	Netherlands	41,759,543	50%	41,759,543	50%
Ekibastuz GRES-1 LLP	04.01.2008	Kazakhstan	8,725,133	50%	8,725,133	50%
Impaired investments						
Balkhash TPP JSC	24.06.2008	Kazakhstan	32,085,280	100%	32,085,280	100%
Ereymentau Wind Power LLP	28.05.2016	Kazakhstan	9,253,541	100%	9,253,541	100%
Energia Semirechya LLP	28.05.2016	Kazakhstan	-	25%	2,411,010	25%
Shulbinsk HPP JSC	04.01.2008	Kazakhstan	1,230,658	92.14%	1,230,658	92.14%
Ust-Kamenogorsk HPP JSC	04.01.2008	Kazakhstan	465,019	89.99%	465,019	89.99%
Less:						
Investment impairment			(43,034,498)		(44,496,738)	
Total investments			523,499,199		521,962,326	

As at 30 June 2023 the Company holds ownership interests in the following jointly controlled entities:

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

During the first half of 2023 investment in Energia Semirechya LLP was transferred to Qazaq Green Power PLC.

6 Loans Issued and Investments in debt instruments

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023 (unaudited)	31 December 2022
Non-current portion		
Bonds of Moinak HPP JSC	17,000,000	18,000,000
Bonds of Shardarinsk HPP JSC	11,100,000	12,600,000
Loan issued to Ereymentau Wind Power LLP	6,626,296	-
Loan issued to AZhC JSC	-	6,182,007
Bonds of «First Heartland Jusan Bank» JSC	34,812	32,693
Less: provision for impairment	(6,772,178)	(169,335)
Total loans issued and investments in debt instruments – non-current portion	27,988,930	36,645,365
Current portion		
Bonds of Moinak HPP JSC	7,000,000	7,000,000
Loan issued to AZhC JSC	6,999,236	-
Financial aid given to Ereymentau Wind Power LLP	4,081,050	3,881,768
Bonds of Shardarinsk HPP JSC	2,900,000	2,900,000
Loan issued to Ereymentau Wind Power LLP	2,653,392	1,770,000
Loan issued to Almaty Power Stations JSC	1,200,000	-
Interest accrued on loans issued	474,316	378,133
Loan issued to Balkhash TPP JSC	377,301	377,301
Interest accrued on bonds	324,812	298,027
Bonds of “MREK” JSC	-	374,829
Financial aid given to Ust-Kamenogorsk HPP JSC	30,390	30,390
Loan issued to Zhambyl GRES named after T.I. Baturov JSC	5,442	5,442
Less: provision for impairment	(7,534,515)	(1,383,726)
Total loans issued and investments in debt instruments – current portion	18,511,424	15,632,164

During the first half of 2023 the Company issued a loan Ereymentau Wind Power LLP in the amount Tenge 6,626,296 thousand in order to settle the loan due to Eurasian Development Bank (Note 10). The Company fully impaired this loan. The Company also fully impaired a short term financial aid and loan issued to Ereymentau Wind Power LLP (Note 3).

7 Other Current Assets

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023 (unaudited)	31 December 2022
Trade receivable from buyers of subsidiaries	7,896,759	7,653,881
Dividends receivable	6,750,479	488
Receivables from Tauba Invest LLP	142,225	317,200
Short-term deposits	10,304	1,304
Restricted cash	-	1,400,000
Less: provision for impairment	(360,251)	(891,820)
Total other financial current assets	14,439,516	8,481,053
Advances paid	19,564	5,360
Other	268,389	351,716
Total other current assets	14,727,469	8,838,129

Trade receivables from buyers of subsidiaries mainly include short-term debt of OESK Holding LLP (formerly VKEK LLP) in the amount of Tenge 7,783,194 thousand for shares of VK REC JSC, which were sold during 2017 with an internal rating of 'SK C' (31 December 2022: Tenge 7,560,135 thousand).

8 Cash and Cash Equivalents

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023 (unaudited)	31 December 2022
Cash under a purchase and resale agreement (“reverse repo”) for up to three months	11,799,287	9,999,119
Cash in term deposits less than three months - Tenge	150,000	11,986,000
Cash in bank accounts – Euro	49,619	-
Cash in bank accounts – Tenge	30,853	42,668
Cash on hand	4,397	3,681
Less: provision for impairment	(19)	(1,993)
Total cash and cash equivalents	12,034,137	22,029,475

9 Share Capital

As of 30 June 2023, 5,632,537 outstanding ordinary shares were fully paid in the amount of Tenge 378,531,570 thousand (31 December 2022: 5,632,537 shares). Each ordinary share equals to one vote. The Company has no preference shares. There are 8,602,187 authorised shares. As at 30 June 2023, NWF Samruk-Kazyna is a 100% shareholder of the Company (31 December 2022: 100%).

On 26 April 2023, the Company announced the payment of dividends to the Sole Shareholder in the amount of Tenge 2,041,000 thousand – Tenge 364.36 per share (28 April 2022: Tenge 2,041,000 thousand). As of 29 May 2023, dividends have been paid in full.

10 Borrowings

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023 (unaudited)	31 December 2022
Non-current portion		
Borrowings from Samruk-Kazyna	67,014,680	72,571,081
Bonds	40,117,870	40,113,235
Non-current bank borrowings	20,143,398	15,146,449
Total borrowings – non-current portion	127,275,948	127,830,765
Current portion		
Borrowings from subsidiaries, joint venture	15,408,703	29,905,606
Borrowings from Samruk-Kazyna	8,931,744	2,381,109
Interest accrued – borrowings from Samruk-Kazyna and subsidiaries and joint venture	1,913,792	960,527
Current bank loans	576,200	12,462,014
Interest accrued – bank loans	458,704	1,054,029
Interest accrued – bonds	413,567	413,567
Total borrowings – current portion	27,702,710	47,176,852
Total borrowings	154,978,658	175,007,617

On June 30, 2023, the Company received a loan from the Eurasian Development Bank in the amount of Tenge 6,626,296 thousand maturing on 31 October 2034. Purpose - provision of a loan to Ereymentau Wind Power LLP in order to repay the principal debt of Ereymentau Wind Power LLP to the Eurasian Development Bank. Interest rate - 11.5% per annum until 31 October 2026 (inclusive). From 1 November 2026 until the full repayment of the principal debt, the interest rate is equal to the sum of the base rate of the National Bank of Kazakhstan and the margin of 2.25% per annum.

As of 30 June 2023, the Company has fully repaid its debt to the European Bank for Reconstruction and Development (EBRD).

During the six months ended 30 June 2023, the Company repaid a loan from Halyk Bank of Kazakhstan JSC in the amount of Tenge 4,000,000 thousand and a loan from Bereke Bank JSC in the amount of Tenge 7,000,000 thousand.

11 Other payables and accrued liabilities

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023 (unaudited)	31 December 2022
Accrued tax provisions (Note 18)	1,425,740	1,425,740
Estimated liability to Qazaq Gas JSC	678,309	678,309
Debt to suppliers	300,102	661,703
Other	561,395	487,383
Total other payables and accrued liabilities	2,965,546	3,253,135

12 Dividend Income

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
Ekibastuz GRES-1 LLP	29,000,000	29,000,000	-	-
Bukhtarminsk HPP JSC	4,138,517	1,517,571	4,138,517	1,517,571
Ekibastuz GRES-2 LLP	1,052,246	-	1,052,246	-
Energy Solutions Center LLP	183,406	34,903	-	-
Shardarinsk HPP JSC	100,000	-	100,000	-
First Wind Power Plant LLP	-	1,550,822	-	-
Alatau Zharyk Company JSC	-	436,631	-	436,631
Samruk-Green Energy LLP	-	12,218	-	-
Total dividend income	34,474,169	32,552,145	5,290,763	1,954,202

13 General and Administrative Expenses

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
Salary and related costs	1,692,268	1,588,167	962,653	807,798
Information system support services	355,210	270,227	178,337	138,174
Depreciation of property, plant and equipment and amortization of intangible assets	246,856	233,860	123,313	116,364
Specialized office services	182,881	198,948	92,763	105,297
Consulting and other services	117,409	17,618	73,159	-
Taxes	84,478	127,704	83,636	127,157
Business trip expenses	63,028	44,257	40,998	32,545
Staff training and related costs	43,132	21,282	37,866	14,830
Insurance	26,644	31,443	13,113	15,553
Other	227,141	214,871	131,179	113,007
Total general and administrative expenses	3,039,047	2,748,377	1,737,017	1,470,725

14 (Loss on)/gain from reversal of impairment of financial assets, net

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
(Impairment)/reversal of impairment of financial aid and loans given to Ereymentau Wind Power LLP, net (Note 6)	(12,741,797)	2,531	(12,741,797)	(1,142)
Other	522,768	313,848	564,370	356,955
Total	(12,219,029)	316,379	(12,177,427)	355,813

The Company recognized a full impairment of loans and financial aid provided to Ereymentau Wind Power LLP due to the uncertainty in the solvency of the subsidiary as a result of the delay in the construction of the 50 MW wind farm project in the city of Ereymentau as well as the subsidiary's litigation with Financial Settlement of Renewable Energy LLP (Note 6).

15 Finance Income

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
Interest income on loans issued and bonds	2,833,060	3,161,176	1,439,117	1,536,637
Gain on initial recognition of a loan received	1,075,854	-	1,075,854	-
Interest income on bank deposits and repo	844,418	75,668	247,807	30,737
Unwinding of discount on financial assets	773,765	784,734	392,132	399,893
Gain on modifications of loans	-	2,199,205	-	-
Other	31,256	38,124	15,534	19,141
Total finance income	5,558,353	6,258,907	3,170,444	1,986,408

16 Finance costs

<i>In thousands of Kazakhstani Tenge</i>	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Three months ended 30 June 2023 (unaudited)	Three months ended 30 June 2022 (unaudited)
Interest expense on borrowings and bonds	5,744,526	8,319,623	2,672,822	4,201,611
Unwinding of discount on financial instruments	3,991,182	4,808,342	1,893,771	2,301,286
Finance lease costs	111,076	76,491	54,867	33,233
Loss on modification of loan issued	-	248,027	-	248,027
Other	5,000	-	-	-
Total finance costs	9,851,784	13,452,483	4,621,460	6,784,157

17 Income tax

Income tax is a tax withheld at the source of payments on deposits. The Company is not expecting taxable profits in the future.

18 Contingencies, Commitments and Operating Risks

In addition to the information below, as at 30 June 2023 the Company did not have any contingent or contractual commitments or operating risks other than disclosed in the separate financial statements for the year ended 31 December 2022.

Legal proceedings

In 2022 as a result of the act of documentary tax audit dated 8 February 2023, the Company recognized a tax provision in the amount of Tenge 1,425,740 thousand. The company does not agree with the appointment and results of the tax audit. Currently, complaints against the actions of the tax authorities are considered in court, as well as in the Appeals Commission under the Ministry of Finance of the Republic of Kazakhstan. The Company's management believes that its interpretations of the relevant legislation are appropriate and the Company's tax position is reasonable. Management does not expect the Company to incur material losses on current and potential tax claims in excess of the provisions made in these condensed separate interim financial statements.

Investigation of the Anti-Corruption Agency of the Republic of Kazakhstan

On 13 July 2023, information appeared in the Kazakhstani media that the Anti-Corruption Agency of the Republic of Kazakhstan (the "Anti-Corruption Service") is investigating the management of Samruk-Kazyna, Samruk-Energy and JSC "NC "Kazakhstan Temir Zholy" (the "KTZh") on management override of control. Also in July 2023, the Anti-Corruption Service published a report on the state of competition in certain commodity markets and measures taken to limit monopolistic activities for 2022, which notes that KTZh, being in the same structure with energy-producing organizations of Samruk-Energy and other energy producing organizations of Samruk-Kazyna purchased electricity not directly from power plants, but through various energy supply organizations.

Samruk-Energy JSC and its subsidiaries (hereinafter referred to as the "Group") sells electricity to a significant number of energy supply companies on standard terms and at tariffs approved by the Government. There is a wholesale electricity market in Kazakhstan, where large consumers and power supply organizations have the opportunity to buy electricity from various generating companies. The Group controls only 28% of all electricity generation in Kazakhstan. Based on the results of the internal compliance review, the management of the Company concluded that all operations of the Company's activities were carried out in accordance with the law, the probability of loss or reputational damage from this investigation is low, and also that this event does not have an impact on the condensed separate interim financial statements of the Company.

The Company's management monitors this issue and provides the necessary information and support to the Anti-Corruption Agency in relation to this issue.

Compliance with covenants

The Company is subject to certain covenants related to its borrowings and bonds. Non-compliance with such covenants may result in negative consequences for the Company, including growth in the cost of borrowings and declaration of default. The Company was in compliance with all covenants.

19 Fair Value Disclosure

Fair value measurement

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly or indirectly (that is, as prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

The fair values in level 2 and level 3 of the fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of floating rate instruments that are not quoted in an active market was estimated to be equal to their carrying amount. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities.

<i>In thousands of Kazakhstani Tenge</i>	30 June 2023			Carrying value	31 December 2022			Carrying value
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Assets								
Cash and cash equivalents	-	12,034,137	-	12,034,137	-	22,029,475	-	22,029,475
Short-term deposits	-	10,304	-	10,304	-	1,304	-	1,304
Financial receivables	-	8,378,759	-	8,204,839	-	7,477,118	-	7,596,400
Dividends receivable	-	6,750,479	-	6,750,479	-	488	-	488
Loans issued and investment in debt instruments	-	42,740,050	-	46,500,380	-	47,732,982	-	52,277,529
Receivables from employees	-	38,372	-	38,372	-	42,945	-	42,945
Total financial assets		69,952,101	-	73,538,511	-	77,284,312	-	81,948,141
Liabilities								
Borrowings	-	129,174,486	-	154,978,658	-	146,593,465	-	175,007,617
Lease obligations	-	1,242,943	-	1,091,856	-	1,245,198	-	1,158,760
Financial payables	-	1,027,900	-	1,027,900	-	1,340,012	-	1,340,012
Total financial liabilities	-	131,445,329	-	157,098,414	-	149,178,675	-	177,506,389

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.

20 Events after the Reporting Period

On 1 July 2023, National Welfare Fund Samruk-Kazyna JSC made a contribution to the share capital of the Company in the amount of Tenge 24,201,138 thousand in order to finance the ALES gasification project.