



**SAMRUK-ENERGY JSC**

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

**30 June 2022**

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### REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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## Report on Review of Condensed Consolidated Interim Financial Statements

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

### Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of JSC Samruk-Energy (the "Company") and its subsidiaries (the "Group") as at 30 June 2022 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three-month and six-month period then ended, condensed consolidated 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 this condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial statement 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 consolidated 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 consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

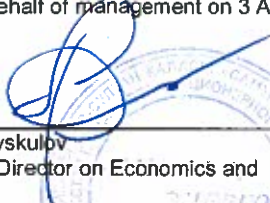
*PricewaterhouseCoopers LLP*

3 August 2022  
Almaty, Kazakhstan


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

<i>In thousands of Kazakhstani Tenge</i>	Note	30 June 2022 (unaudited)	31 December 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	692,331,339	702,709,108
Investment property		106,532	110,160
Intangible assets		3,895,513	4,165,145
Right-of-use assets		2,355,338	2,881,775
Investments in joint ventures and associates	7	83,922,107	73,993,321
Other non-current assets	8	74,885,886	77,960,833
<b>Total non-currents assets</b>		<b>857,496,715</b>	<b>861,820,342</b>
<b>Current assets</b>			
Inventory		13,672,639	13,587,164
Trade and other receivables	9	34,752,832	32,437,068
Other current assets	10	9,015,358	18,452,057
Income tax prepaid		1,778,976	1,385,209
Cash and cash equivalents	11	16,753,443	12,138,171
<b>Total current assets</b>		<b>75,973,248</b>	<b>77,999,669</b>
<b>TOTAL ASSETS</b>		<b>933,469,963</b>	<b>939,820,011</b>

Signed on behalf of management on 3 August 2022.

  
 Aidar K. Ryskulov  
 Managing Director on Economics and  
 Finance



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

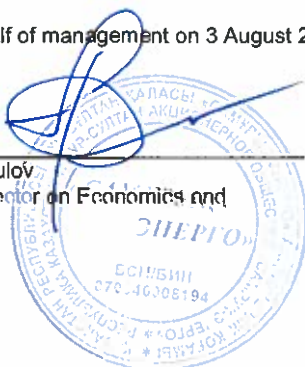
The accompanying notes are an integral part of these condensed consolidated interim financial statements

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

<i>In thousands of Kazakhstani Tenge</i>	Note	30 June 2022 (unaudited)	31 December 2021
<b>EQUITY</b>			
Share capital	12	376,045,927	376,045,927
Other reserves		125,225,754	125,128,459
Retained earnings/(Accumulated deficit)		20,143,101	(78,038)
<b>Equity attributable to the Group's shareholders</b>		<b>521,414,782</b>	<b>501,096,348</b>
Non-controlling interest		1,651,091	1,544,103
<b>TOTAL EQUITY</b>		<b>523,065,873</b>	<b>502,640,451</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provision for liquidation of ash dumps		2,544,864	2,752,778
Employee benefit obligations		1,570,048	1,595,996
Borrowings	13	203,163,437	209,848,259
Other non-current liabilities		2,396,480	2,407,609
Non-current lease liabilities		1,207,169	1,495,895
Deferred income tax liabilities		70,565,146	72,198,561
<b>Total non-current liabilities</b>		<b>281,447,144</b>	<b>290,299,098</b>
<b>Current liabilities</b>			
Provision for liquidation of ash dumps		40,540	73,814
Borrowings	14	75,133,916	85,046,407
Employee benefit obligations		146,179	189,304
Trade and other payables	15	37,623,877	50,157,039
Taxes payable and other payables to budget		10,725,687	7,850,505
Current lease liabilities		632,210	927,267
Income tax payable		4,654,537	2,636,126
<b>Total current liabilities</b>		<b>128,956,946</b>	<b>146,880,462</b>
<b>TOTAL LIABILITIES</b>		<b>410,404,090</b>	<b>437,179,560</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>933,469,963</b>	<b>939,820,011</b>
<b>Carrying value of an ordinary share, Tenge</b>	23	92,679	88,985

Signed on behalf of management on 3 August 2022.

Aidar K. Ryskulov  
 Managing Director on Economics and  
 Finance



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

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

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

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>6 months ended 30 June 2022 (unaudited)</b>	<b>6 months ended 30 June 2021 (unaudited)</b>	<b>3 months ended 30 June 2022 (unaudited)</b>	<b>3 months ended 30 June 2021 (unaudited)</b>
Revenue	16	181,188,041	156,352,756	85,069,473	69,780,222
Cost of Sales	17	(131,703,796)	(114,245,614)	(60,969,663)	(55,320,350)
<b>Gross Profit</b>		<b>49,484,245</b>	<b>42,107,142</b>	<b>24,099,810</b>	<b>14,459,872</b>
Selling expenses		(4,249,976)	(4,591,168)	(1,903,459)	(1,609,188)
General and administrative expenses	18	(9,383,899)	(6,135,719)	(5,343,251)	(2,808,255)
Share in profit of joint ventures and associates	7	9,928,786	7,970,871	5,544,586	1,397,789
Credit loss allowance for financial assets		(790,437)	(610,914)	(119,261)	(610,124)
Finance income		1,233,239	1,030,126	728,344	562,472
Finance costs	19	(16,564,685)	(14,970,939)	(7,652,358)	(7,676,678)
Other income		1,160,491	1,055,531	644,890	548,440
Other expense		(214,671)	(58,380)	(43,998)	(82,255)
<b>Profit before income tax</b>		<b>30,603,093</b>	<b>25,796,550</b>	<b>15,955,303</b>	<b>4,182,073</b>
Income tax expense	20	(8,233,966)	(5,625,485)	(4,932,300)	(1,564,928)
<b>Profit for the period</b>		<b>22,369,127</b>	<b>20,171,065</b>	<b>11,023,003</b>	<b>2,617,145</b>
Other comprehensive income <i>(Items that will not be reclassified to profit or loss)</i>					
Remeasurement of post-employment benefit obligations		97,295	76,587	82,402	105,376
<b>Total comprehensive income for the period</b>		<b>22,466,422</b>	<b>20,247,652</b>	<b>11,105,405</b>	<b>2,722,521</b>
<b>Profit attributable to:</b>					
Shareholders of the Group		22,262,139	20,027,722	10,947,123	2,551,354
Non-controlling interest		106,988	143,343	75,880	65,791
<b>Profit for the period</b>		<b>22,369,127</b>	<b>20,171,065</b>	<b>11,023,003</b>	<b>2,617,145</b>
<b>Total comprehensive income attributable to:</b>					
Shareholders of the Group		22,359,434	20,104,309	11,029,525	2,656,730
Non-controlling interest		106,988	143,343	75,880	65,791
<b>Total comprehensive income for the period</b>		<b>22,466,422</b>	<b>20,247,652</b>	<b>11,105,405</b>	<b>2,722,521</b>

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

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

<i>In thousands of Kazakhstani Tenge</i>	Note	Attributable to the shareholders of the Group			Total	Non- controlling interest	Total Equity
		Share capital	Other reserves	Retained earnings/(accu- mulated loss)			
<b>Balance at 1 January 2021</b>		<b>376,045,927</b>	<b>125,168,047</b>	<b>(11,882,206)</b>	<b>489,331,768</b>	<b>1,243,868</b>	<b>490,575,636</b>
Profit for the period (unaudited)		-	-	20,027,722	20,027,722	143,343	20,171,065
Other comprehensive loss (unaudited)		-	76,587	-	76,587	-	76,587
<b>Total comprehensive income (unaudited)</b>		<b>-</b>	<b>76,587</b>	<b>20,027,722</b>	<b>20,104,309</b>	<b>143,343</b>	<b>20,247,652</b>
Dividends declared	12	-	-	(3,242,143)	(3,242,143)	-	(3,242,143)
<b>Balance at 30 June 2021 (unaudited)</b>		<b>376,045,927</b>	<b>125,244,634</b>	<b>4,903,373</b>	<b>506,193,934</b>	<b>1,387,211</b>	<b>507,581,145</b>
Balance at 1 January 2022		376,045,927	125,128,459	(78,038)	501,096,348	1,544,103	502,640,451
Profit for the period (unaudited)		-	-	22,262,139	22,262,139	106,988	22,369,127
Other comprehensive income (unaudited)		-	97,295	-	97,295	-	97,295
<b>Total comprehensive income (unaudited)</b>		<b>-</b>	<b>97,295</b>	<b>22,262,139</b>	<b>22,359,434</b>	<b>106,988</b>	<b>22,466,422</b>
Dividends declared (unaudited)	12	-	-	(2,041,000)	(2,041,000)	-	(2,041,000)
<b>Balance at 30 June 2022 (unaudited)</b>		<b>376,045,927</b>	<b>125,225,754</b>	<b>20,143,101</b>	<b>521,414,782</b>	<b>1,651,091</b>	<b>523,065,873</b>

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

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

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>6 months ended 30 June 2022 (unaudited)</b>	<b>6 months ended 30 June 2021 (unaudited)</b>
<b>Cash flows from operating activities</b>			
Profit before income tax		30,603,093	25,796,550
Adjustments for:			
Depreciation and amortisation		30,022,827	27,529,382
Gain on disposal of property, plant and equipment and right-of-use assets		20,263	37,843
Losses/(reversal) on impairment of non-current assets		(39,056)	13,471
Losses/(reversal) on credit loss allowance for financial assets		(316,545)	610,914
Finance costs	19	16,564,685	14,970,939
Finance income		(1,233,239)	(1,030,126)
Share of profit in joint ventures and associates	7	(9,928,786)	(7,970,871)
Other adjustments		(124,909)	89,092
		<b>65,568,333</b>	<b>60,047,194</b>
Decrease/(increase) in trade receivables and other current assets		(1,029,359)	922,551
Increase in inventories		(76,783)	(261,576)
Decrease in trade and other current payables		(7,153,426)	(5,218,666)
Decrease/(increase) in employee benefits payable		(59,143)	12,858
Decrease in tax and other payables to the budget		3,079,204	155,177
		<b>60,328,826</b>	<b>55,657,538</b>
Income tax paid		(8,264,424)	(4,015,575)
Interest paid		(12,152,528)	(11,649,966)
Dividends received		-	72,457
		<b>39,911,874</b>	<b>40,064,454</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(22,017,429)	(36,012,840)
Acquisition of intangible assets		(405,187)	(174,349)
Proceeds from sale of property, plant and equipment		59,774	4,252
Proceeds from the sale of debt instruments (bonds)		192,300	192,300
Repayment of bonds by issuers		9,200,000	159,481
Interest income received		778,844	532,859
Withdrawal/(placement) of bank deposits, net		30,420	(84,356)
Withdrawal of restricted cash		7,657	-
Providing financial assistance to the Shareholder		(518,700)	-
Return of financial assistance by the Shareholder		518,700	-
		<b>(12,153,621)</b>	<b>(35,382,653)</b>

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



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

<i>In thousands of Kazakhstani Tenge</i>	<b>Note</b>	<b>6 months ended 30 June 2022 (unaudited)</b>	<b>6 months ended 30 June 2021 (unaudited)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		38,069,388	86,447,698
Repayment of borrowings		(58,880,809)	(82,821,403)
Repayment of principal on finance leases		(340,913)	(351,050)
Dividends paid to shareholders		(2,041,000)	(3,242,143)
Dividends paid to non-controlling interest holders		-	(50,658)
Other proceeds		15,000	-
<b>Net cash used in financing activities</b>		<b>(23,178,334)</b>	<b>(17,556)</b>
Foreign exchange difference effect on cash		44,517	(19,776)
Credit loss allowance for cash and cash equivalents		(9,164)	(2,378)
<b>Net increase in cash and cash equivalents</b>		<b>4,615,272</b>	<b>4,642,091</b>
Cash and cash equivalents at the beginning of the year:	11	12,138,171	<b>9,893,878</b>
<b>Cash and cash equivalents at the end of reporting period:</b>	<b>11</b>	<b>16,753,443</b>	<b>14,535,969</b>

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

## **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 the three and six months ended 30 June 2022 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 June 2022, the Company’s shareholder is Sovereign Welfare Fund Samruk-Kazyna JSC (“Samruk-Kazyna”). The Company’s ultimate controlling party is the Government of the RoK.

### ***Principal activity***

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

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

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

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

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

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

### ***Operating environment***

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

The volatility of exchange rate causes and may continue to cause a negative impact on the economy of the Republic of Kazakhstan, including decrease in liquidity and creation of difficulties in attracting of international financing. As of 30 June 2022, the official exchange rate used to translate balances in foreign currency was Tenge 470.34 for 1 US dollar (31 December 2021: Tenge 431.67 for 1 US dollar).

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

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

### ***Basis of preparation***

These condensed consolidated interim financial statements for the three and six-month period ended 30 June 2022 have been prepared in accordance with IAS 34, *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all notes that are normally included in the annual financial statements. Therefore, these condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2021, which have been prepared in accordance with IFRS. The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those of the previous financial year except for accounting for income taxes.

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

### ***Seasonality of operations***

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

Also, the Group's repair and maintenance works might be subject to seasonality. Significant amount of maintenance and repair work are expected to be carried out in the second half of 2022 that will significantly increase the Group's expenses, downtime of power units and low levels of electricity production.

### ***Exchange rates***

As of 30 June 2022, the official exchange rate used to translate balances in foreign currency was Tenge 470.34 for 1 US dollar (31 December 2021: Tenge 431.67 for 1 US dollar).

### ***Going Concern***

Management has prepared these condensed interim consolidated financial statements on a going concern basis. Management's decision is based on the financial position of the Group, its current intentions, profitability of operations and access to financial resources and government support. As of 30 June 2022, the Group's current liabilities exceeded its current assets by Tenge 52,983,698 thousand.

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

- The Group is strategically important to ensure the reliability of the power system in Kazakhstan. The management and shareholders of the Group have neither the intention nor the need to liquidate the Group.
- The Group's current liabilities of Tenge 5,841,514 thousand include a payable to the Akimat of Almaty city and, by settlement agreement, do not require cash outflows.
- As of 30 June 2022, the Group of Companies has available funds within the framework of revolving credit lines from Halyk Bank of Kazakhstan JSC in the total amount of Tenge 55 billion, AO «First Heartland Jusan bank» for the total amount of Tenge 4.4 billion.
- In the second half of 2022, the Group expects positive cash flows from operating activities in the amount of not less than Tenge 49,310,410 thousand.

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

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

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

Applied key accounting estimates and professional judgments are consistent with those accounting estimates and professional judgments applied in the preparation of the annual financial statements for the year ended 31 December 2021, 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)**

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

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

As of 30 June 2022, the Group's management performed the analysis of the impairment indicators of property, plant and equipment of subsidiaries such as Ekibastuz GRES-1 named after Bulat Nurzhanov LLP (hereinafter referred to as EGRES-1), Alatau Zharyk Company JSC ("AZhC"), Almaty Electric Stations JSC ("AIES"), Tegis Munay LLP ("TM") and the joint venture JSC "Station Ekibastuzskaya GRES-2" (hereinafter "SEGRES-2") in accordance with IAS 36 "Impairment of Assets".

Based on the analysis performed with respect to internal and external impairment indicators, the Group's management concluded that there are no impairment indicators as of the analysis date. Therefore, the Group's management decided not to perform the impairment test of property, plant and equipment and intangible assets of these subsidiaries and the joint venture SEGRES-2 as at 30 June 2022.

*Modernisation of Almaty CHP-2 with the minimisation of the environmental impact. Following the results of the 1st half of 2022, the following work was carried out to implement gasification projects.*

On 30 June 2022, the President of the country signed several amendments to the Law "On Electric Power Industry". These amendments allow to sign an investment agreement and obtain an individual tariff (capacity tariff) for the modernisation, reconstruction and (or) expansion the construction of a gas based generating plants as an alternative type for a fuel. Also, amendments introduced to the Law "On Natural Monopolies". It allows a natural monopoly entity to change the investment programme in the case of the implementation of national projects of the Republic of Kazakhstan. And it allows to send an application to change the approved tariff (for heat energy) when changing the type of fuel and investment programme.

The conclusion of an investment agreement and the receipt of an individual capacity tariff to finance the project of converting CHP-2 to gas is expected before the end of 2022, after the approval of the relevant Rules for the Review of Investment Programs, which developed on the basis of amendments to sectoral legislative acts and submitted for consideration and approval in the Ministry of Energy of the Republic of Kazakhstan.

### **4 Segment Information**

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

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

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

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

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

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

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

**4 Segment Information (Continued)**

	Production of electric and heating energy		Electricity transmission and distribution		Sale of electricity		Other		Total	
	6 months ended		6 months ended		6 months ended		6 months ended		6 months ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<i>In thousands of Kazakhstani Tenge</i>										
Total segment revenue – Sales of electricity	117,994,623	101,859,718	-	-	65,364,628	60,171,384	-	-	183,359,251	162,031,102
Inter-segment revenue	(40,427,350)	(37,586,137)	-	-	(745)	(391)	-	-	(40,428,095)	(37,586,528)
<b>External revenue – Sales of electricity</b>	<b>77,567,273</b>	<b>64,273,581</b>	-	-	<b>65,363,883</b>	<b>60,170,993</b>	-	-	<b>142,931,156</b>	<b>124,444,574</b>
<b>Sales of heating energy</b>	<b>10,201,219</b>	<b>10,388,357</b>	-	-	-	-	-	-	<b>10,201,219</b>	<b>10,388,357</b>
<b>Revenue from the service on maintaining power capacity</b>	<b>17,150,970</b>	<b>13,844,205</b>	-	-	-	-	-	-	<b>17,150,970</b>	<b>13,844,205</b>
<b>Rental income from renewable energy sources</b>	<b>2,976,177</b>	<b>2,565,699</b>	-	-	-	-	-	-	<b>2,976,177</b>	<b>2,565,699</b>
Total segment revenue – Transmission of electricity	-	-	25,588,925	22,579,946	-	-	-	-	25,588,925	22,579,946
Inter-segment revenue	-	-	(21,955,959)	(20,348,528)	-	-	-	-	(21,955,959)	(20,348,528)
<b>External revenue – Transmission of electricity</b>	-	-	<b>3,632,966</b>	<b>2,231,418</b>	-	-	-	-	<b>3,632,966</b>	<b>2,231,418</b>
<b>Rental income from investment property</b>	-	-	-	-	-	-	<b>2,050,899</b>	<b>1,956,694</b>	<b>2,050,899</b>	<b>1,956,694</b>
<b>Sales of chemically purified water</b>	<b>899,782</b>	<b>883,787</b>	-	-	-	-	-	-	<b>899,782</b>	<b>883,787</b>
Total other	1,863,755	890,824	-	-	-	-	735,966	521,202	2,599,721	1,412,026
Inter-segment revenue – other	(518,883)	(852,802)	-	-	-	-	(735,966)	(521,202)	(1,254,849)	(1,374,004)
<b>External revenue – other</b>	<b>1,344,872</b>	<b>38,022</b>	-	-	-	-	-	-	<b>1,344,872</b>	<b>38,022</b>
<b>Total external revenue</b>	<b>110,140,293</b>	<b>91,993,651</b>	<b>3,632,966</b>	<b>2,231,418</b>	<b>65,363,883</b>	<b>60,170,993</b>	<b>2,050,899</b>	<b>1,956,694</b>	<b>181,188,041</b>	<b>156,352,756</b>

**4 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 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Cost of sales	(105,390,159)	(93,306,148)	(21,426,562)	(17,284,042)	(67,918,729)	(61,398,501)	(471,970)	(283,782)	63,503,624	58,026,859	(131,703,796)	(114,245,614)
- Less depreciation and amortisation	25,123,026	22,980,772	4,461,777	3,872,857	126,937	125,130	283,082	224,788	(3)	2	29,994,819	27,203,549
Selling expense	(4,249,976)	(4,591,168)	-	-	-	-	-	-	-	-	(4,249,976)	(4,591,168)
Finance costs	(9,402,942)	(8,183,412)	(689,957)	(645,081)	(221,129)	(151,290)	(13,751,548)	(11,674,294)	7,500,891	5,683,138	(16,564,685)	(14,970,939)
- Less interest expense	(4,457,320)	(3,998,729)	(342,586)	(309,757)	(184,388)	(128,052)	(8,319,624)	(6,849,793)	1,289,508	399,728	(12,014,410)	(10,886,603)
Finance income	2,327,016	2,025,076	31,589	54,289	53,311	37,311	6,397,078	4,338,841	(7,575,755)	(5,425,391)	1,233,239	1,030,126
Share of profit of joint ventures and associates and investment impairment	-	-	-	-	-	-	9,928,786	7,970,871	-	-	9,928,786	7,970,871
Impairment of non-financial assets	(17,388)	(20,540)	-	-	-	-	-	-	-	-	(17,388)	(20,540)
Capital expenditure	(15,721,431)	(33,105,722)	(6,080,393)	(2,431,895)	(31,079)	(65,443)	(195,431)	(55,133)	10,905	90,285	(22,017,429)	(35,567,909)
Reportable segment assets	710,978,361	696,059,161	145,173,518	138,703,069	17,846,940	15,909,097	171,558,777	152,148,112	(112,087,633)	(100,381,476)	933,469,963	902,437,963
Reportable segment liabilities	276,313,481	252,742,754	42,739,862	37,907,651	27,543,360	23,025,275	193,633,455	187,004,875	(129,826,068)	(105,823,737)	410,404,090	394,856,818

#### 4 Segment Information (Continued)

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

<i>In thousands of Kazakhstani Tenge</i>	<b>6 months, ended 30 June 2022</b>	<b>6 months, ended 30 June 2021</b>
Adjusted EBITDA for the period	66,045,968	58,990,581
Depreciation and amortisation	(30,022,827)	(27,203,549)
Finance income	1,233,239	1,030,126
Finance costs	(16,564,685)	(14,970,939)
Share of profit of joint ventures and associates	9,928,786	7,970,871
Impairment of non-financial assets	(17,388)	(20,540)
<b>Total profit before income tax for the period</b>	<b>30,603,093</b>	<b>25,796,550</b>

**(d) Major customers**

During the six months ended 30 June 2022, 10% of the total revenue was sold to the companies under the control of Samruk-Kazyna. There were no significant changes in the assets and liabilities of operating segments, except for those disclosed in the latest annual consolidated financial statements.

#### 5 Balances and Transactions with Related Parties

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

Related parties include the companies under control of Samruk-Kazyna. Transactions with the state-owned entities are not disclosed when they are entered into in the ordinary course of business with terms consistently applied to all public and private entities i) when they are not individually significant, ii) if the Group's services are provided on the standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications and etc. At 31 June 2022, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Trade and other receivables	2,895,048	15,105	15,890	-	16,817,464
Cash and cash equivalents	95	-	-	-	-
Other current assets	4,859	1,690	-	-	13,242
Borrowings	-	3,572	-	71,867,058	12,976,171
Finance lease liabilities	30,104	-	-	-	-
Trade and other payables	2,772,011	22,439	2,758,964	2,174	9,478,261

At 31 December 2021, the outstanding balances with related parties were as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Trade and other receivables	1,108,679	20,130	16,128	-	14,834,694
Cash and cash equivalents	23	-	-	-	-
Other current assets	36,349	458	-	-	10,333
Financial assets	-	-	-	-	9,161,029
Borrowings	-	-	3,760	71,139,308	13,779,537
Finance lease liabilities	33,197	-	-	-	-
Trade and other payables	3,550,512	3,009,372	671	35,164	9,703,984

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

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>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	15,999,223	875,784	204,386	-	32,529,958
Cost of sales	12,448,686	16,960,998	2,723	-	23,278,877
General and administrative expenses	203,311	-	-	-	4,956
Selling expense	4,179,068	-	-	-	-
Other expenses	1,655	-	-	-	-
Other income	1,061	1,539	-	-	220,062
Finance costs	1,878	-	-	3,832,471	859,814

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

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	28,032,526	70,310	-	-	12,399,944
Cost of sales	33,175,549	15,064,051	12,552	-	1,302,763
General and administrative expenses	150,500	-	-	-	-
Selling expense	4,542,749	-	-	-	-
Other expenses	49,930	-	-	31,224	-
Other income	602	-	-	-	-
Finance costs	2,301	-	-	3,591,067	515,435

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>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	9,620,922	581,266	133,075	-	14,119,627
Cost of sales	3,875,628	7,130,666	2,723	-	8,525,611
General and administrative expenses	103,673	-	1,379	-	4,956
Selling expense	1,870,105	-	-	-	-
Other expenses	848	35	-	-	-
Other income	749	1,539	-	-	59,986
Finance costs	939	-	-	1,941,757	260,985

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

<i>In thousands of Kazakhstani Tenge</i>	<b>Companies under common control</b>	<b>JVs and associates of Samruk- Energy</b>	<b>JVs and associates of Samruk- Kazyna</b>	<b>Shareholders</b>	<b>Government related entities</b>
Revenue	13,367,008	33,237	-	-	3,319,041
Cost of sales	17,092,195	5,233,719	2,104,233	-	672,564
General and administrative expenses	77,671	38,459	-	-	-
Selling expense	1,576,705	-	-	-	-
Other expenses	749	-	-	15,503	-
Other income	350	-	-	-	-
Finance costs	1,151	-	-	1,812,220	211,789

As of 30 June 2022, the Group received the following guarantees from related parties:

- Corporate guarantee of Samruk-Kazyna in the amount of Tenge 12,285,000 thousand under a loan agreement with the Development Bank of Kazakhstan (31 December 2021: 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 2021: USD 25,000,000).



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

Key management compensation is presented below:

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>
Key management compensation	71,898	259,729
Independent directors - members of the Board of Directors	29,405	28,056
<b>Total key management compensation</b>	<b>101,394</b>	<b>287,785</b>

Key management personnel compensation represents the salaries, bonuses and other short-term employee benefits and remuneration to independent directors - members of the Board of Directors. Key management personnel as at 30 June 2022 comprises 4 persons (30 June 2021: 5 persons). Independent directors - members of the Board of Directors as at 30 June 2022 comprises 4 persons (30 June 2021: 2 persons).

## 6 Property, Plant and Equipment

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

<i>In thousands of Kazakhstani Tenge</i>	<b>Oil and gas assets</b>	<b>Buildings and construc- tions</b>	<b>Machinery and equipment</b>	<b>Other</b>	<b>Construc- tion in progress</b>	<b>Total</b>
Cost at 1 January 2022	14,873,572	282,192,793	683,659,927	18,425,459	124,755,184	1,123,906,935
Accumulated depreciation and impairment	(315,663)	(99,659,826)	(310,392,517)	(7,757,743)	(3,072,078)	(421,197,827)
<b>Carrying amount at 1 January 2022</b>	<b>14,557,909</b>	<b>182,532,967</b>	<b>373,267,410</b>	<b>10,667,716</b>	<b>121,683,106</b>	<b>702,709,108</b>
Additions	-	31,141	644,121	509,804	17,929,250	19,114,316
Change in accounting estimates	-	(141,487)	-	-	-	(141,487)
Transfers	-	254,420	1,855,904	18,876	(2,129,200)	-
Disposal	-	(814,159)	(106,702)	(123,514)	-	(1,044,375)
Depreciation	-	(5,837,026)	(22,918,035)	(594,761)	-	(29,349,822)
Depreciation on disposal	-	813,289	90,999	119,822	-	1,024,110
Impairment	-	17,388	908	1,193	-	19,489
Cost as at 30 June 2022	14,873,572	281,522,708	686,053,250	18,830,625	140,555,234	1,141,835,389
Accumulated depreciation and impairment	(315,663)	(104,666,175)	(333,218,645)	(8,231,489)	(3,072,078)	(449,504,050)
<b>Carrying amount as at 30 June 2022</b>	<b>14,557,909</b>	<b>176,856,533</b>	<b>352,834,605</b>	<b>10,599,136</b>	<b>137,483,156</b>	<b>692,331,339</b>

Additions include capitalised borrowing costs in the amount of Tenge 2,900,347 thousand. The average capitalisation rate for interest expenses is 10.96% (31 December 2021: 11.44%).

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

<i>In thousands of Kazakhstani Tenge</i>	<b>6 months, ended 30 June 2022</b>	<b>6 months, ended 30 June 2021</b>
Cost of sales	29,115,737	26,747,994
General and administrative expenses	210,983	170,028
Capitalised to construction in progress	4,816	6,667
Other operating expenses	18,286	3,562
<b>Total depreciation charges</b>	<b>29,349,822</b>	<b>26,928,251</b>

## 7 Investments in Joint Ventures and Associates

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

<i>In thousands of Kazakhstani Tenge</i>	Joint ventures		Associates	Total
	SEGRES-2	Forum Muider	Energy Semirechya	
Balance at 1 January 2021	15,934,313	42,436,972	2,239,914	60,611,199
Share of profit/(loss) for the period	2,149,667	5,900,279	(79,075)	7,970,871
Dividends accrued	-	(72,463)	-	(72,463)
<b>Balance at 30 June 2021</b>	<b>18,083,980</b>	<b>48,264,788</b>	<b>2,160,839</b>	<b>68,509,607</b>
Balance at 1 January 2022	18,140,608	53,747,149	2,105,564	73,993,321
Share of profit/(loss) for the period	1,948,430	8,338,484	(358,128)	9,928,786
<b>Balance at 30 June 2022</b>	<b>20,089,038</b>	<b>62,085,633</b>	<b>1,747,436</b>	<b>83,922,107</b>

As of 30 June 2022, The Group has interests in the following jointly controlled entities:

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

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

## 8 Other Non-Current Assets

<i>In thousands of Kazakhstani Tenge</i>	30 June 2022	31 December 2021
Long-term receivables	8,904,458	9,025,111
Bonds	349,039	653,108
Restricted cash	96,810	54,265
Other non-current financial assets	52,944	97,960
Less: impairment provision	(1,051,642)	(1,392,709)
<b>Total other financial non-current assets</b>	<b>8,351,609</b>	<b>8,437,735</b>
Prepayments for non-current assets	64,202,266	68,667,682
Non-current VAT recoverable	548,379	548,292
Other non-current assets	1,783,632	307,124
<b>Total other non-current assets</b>	<b>74,885,886</b>	<b>77,960,833</b>

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

## 8 Other Non-Current Assets (Continued)

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Reconstruction of power unit #1 of EGRES-1 with installation of electric filters	45,816,545	51,250,884
Construction of a 50 MW wind farm in Ereimentau	15,376,102	14,928,278
Overhaul of power units of EGRES-1	1,257,704	1,257,704
Construction and reconstruction of substations in Almaty and Almaty region	1,215,729	698,804
Other	536,186	532,012
<b>Total prepayments for non-current assets</b>	<b>64,202,266</b>	<b>68,667,682</b>

## 9 Trade and Other Receivables

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Trade receivables	37,511,433	34,132,361
Less: impairment provision	(3,261,341)	(2,116,932)
<b>Total financial receivables</b>	<b>34,250,092</b>	<b>32,015,429</b>
Other receivables	3,763,824	3,682,143
Less: impairment provision	(3,261,084)	(3,260,504)
<b>Total trade and other receivables</b>	<b>34,752,832</b>	<b>32,437,068</b>

## 10 Other Current Assets

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Other receivables	1,455,489	1,430,438
Bonds	562,050	9,554,477
Restricted cash	308,966	310,773
Term deposits	226,186	255,820
Dividends receivable	496	458
Other current financial assets	34,442	114,283
Less: impairment provision	(1,047,340)	(1,034,517)
<b>Total other current financial assets</b>	<b>1,540,289</b>	<b>10,631,732</b>
Advances to suppliers	3,137,104	2,768,042
VAT recoverable and prepaid taxes	2,865,220	3,008,370
Other current non-financial assets	1,872,531	2,448,699
Less: impairment provision	(399,786)	(404,786)
<b>Total other current assets</b>	<b>9,015,358</b>	<b>18,452,057</b>

## 11 Cash and Cash Equivalents

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Term deposits	14,528,466	6,691,733
Cash at current bank accounts	2,210,376	5,430,166
Cash on hand	14,601	16,272
<b>Total cash and cash equivalents</b>	<b>16,753,443</b>	<b>12,138,171</b>

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

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Kazakhstani Tenge	15,849,373	10,679,910
Euro	904,070	1,458,257
US Dollar	-	3
Other currencies	-	1
<b>Total cash and cash equivalents</b>	<b>16,753,443</b>	<b>12,138,171</b>

## 12 Equity

At 30 June 2022, 5,601,812 issued ordinary shares were fully paid (31 December 2021: 5,601,812 shares). Each ordinary share carries one vote. The Company does not have any preference shares. The number of authorised shares is 8,602,187 (31 December 2021: 8,602,187 shares).

On 27 April 2022, the Group announced the payment of dividends to the sole shareholder in the amount of Tenge 2,041,000 thousand – Tenge 364.35 per share. On 9 June 2022, dividends have been paid in full.

## 13 Borrowings

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
<b>Non-current portion</b>		
Bank term loans	92,872,432	100,256,230
Loan from Samruk-Kazyna	69,301,480	68,565,478
Bonds issued	40,108,600	40,103,965
Loans from customers	880,925	922,586
<b>Total borrowings – non-current portion</b>	<b>203,163,437</b>	<b>209,848,259</b>
<b>Current portion</b>		
Bank term loans	68,497,757	78,425,759
Loan from Samruk-Kazyna	2,565,578	2,573,832
Bonds issued	3,689,504	3,681,824
Loans from customers	381,077	364,992
<b>Total borrowings – current portion</b>	<b>75,133,916</b>	<b>85,046,407</b>
<b>Total borrowings</b>	<b>278,297,353</b>	<b>294,894,666</b>

### **13 Borrowings (Continued)**

For the six months ended 30 June 2022 there were the following significant changes in borrowings:

#### ***Samruk-Energy JSC***

The Company made an early partial repayment of a borrowing from the European Bank for Reconstruction and Development in the amount of Tenge 9,521,117 thousand.

The Company received a loan from Halyk Bank of Kazakhstan JSC in the amount of Tenge 11,000,000 thousand for a period of six months at the rate of 10.5% per annum, of which the Company repaid Tenge 2,000,000 thousand ahead of schedule.

The Company received a loan from Halyk Bank of Kazakhstan JSC in the amount of Tenge 9,000,000 thousand for a period of six months at the rate of 15.0% per annum, of which the Company repaid Tenge 5,800,000 thousand ahead of schedule.

On 27 January 2022, the Company repaid the loan of the Asian Development Bank under tranche "B" in the amount of Tenge 15,234,400 thousand ahead of schedule in full.

#### ***ALES***

As part of the General Loan Agreement No. 110\0009-21 dated 14 December 2021, ALES received borrowings Jusan Bank JSC to replenish working capital in the total amount of Tenge 2,579,330 thousand at an interest rate of 10.4%. ALES repaid the principal debt on borrowings in the amount of Tenge 3,403,469 thousand to Jusan Bank JSC and the amount of Tenge 1,392,567 thousand to Halyk Bank of Kazakhstan JSC.

#### ***AlmatyEnergoSbyt LLP***

AlmatyEnergoSbyt LLP as a part of Credit Line Agreement No. KS 02-15-09 dated 22 April 2015, concluded with Halyk Bank of Kazakhstan JSC, received loans in the total amount of Tenge 11,117,169 thousand and repaid loans in the total amount of Tenge 8,917,873 thousand.

#### ***EGRES-1***

EGRES-1 made a scheduled repayment of a part of the borrowing from SB Sberbank JSC in the amount of Tenge 3,737,500 thousand and early repayment to Halyk Bank JSC in the total amount of Tenge 2,670,000 thousand.

#### 14 Trade and Other Payables

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Trade payables	21,115,891	32,133,619
Salaries payable	1,579,926	1,890,163
Dividends payable	546,389	421,413
Other financial payables	2,429,912	2,440,701
<b>Total financial payables</b>	<b>25,672,118</b>	<b>36,885,896</b>
Payables to Almaty City Akimat (Note 3)	5,841,514	5,841,514
Accrued provisions for unused vacations	3,340,030	2,152,545
Advances received from customers	2,731,343	4,618,465
Other non-financial payables	38,872	658,619
<b>Total trade and other payables</b>	<b>37,623,877</b>	<b>50,157,039</b>

#### 15 Revenue

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>	<b>Three months ended 30 June 2022</b>	<b>Three months ended 30 June 2021</b>
Sales of electricity	142,931,156	124,444,574	69,511,991	58,207,785
Income from maintenance of electric power capacity	17,150,970	13,844,205	8,484,635	5,835,732
Sales of heating energy	10,201,219	10,388,357	1,927,099	2,162,746
Rental income from renewable energy sources	3,632,966	2,565,699	1,750,049	1,025,766
Income from transmission of electricity	2,976,177	2,231,418	1,264,013	1,069,861
Rental income from investment property	2,050,899	1,956,694	1,019,040	983,996
Sales of chemically purified water	899,782	883,787	488,386	476,164
Other	1,344,872	38,022	624,260	18,172
<b>Total revenue</b>	<b>181,188,041</b>	<b>156,352,756</b>	<b>85,069,473</b>	<b>69,780,222</b>

**16 Cost of Sales**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>	<b>Three months ended 30 June 2022</b>	<b>Three months ended 30 June 2021</b>
Fuel	32,177,167	30,156,333	12,252,116	10,363,576
Depreciation of property, plant and equipment and amortisation of intangible assets	29,494,556	27,037,632	14,757,264	13,518,706
Cost of purchased electricity from renewable energy sources	23,008,477	16,997,869	10,791,109	10,879,122
Payroll and related expenses	20,121,598	14,828,583	10,052,697	7,458,879
Electricity transmission and other services	6,140,878	5,812,981	2,781,438	3,334,492
Taxes other than income tax	5,078,210	5,230,283	2,396,143	2,495,756
Maintaining electric power capacity	4,363,031	4,419,367	2,156,951	2,126,979
Water supply	3,326,112	2,755,550	1,834,074	1,460,547
Third party services	2,502,322	2,358,270	1,280,882	1,120,223
Repairs and maintenance	2,580,454	2,054,383	1,271,905	1,222,974
Materials	828,535	722,487	430,965	356,546
Security services	551,491	547,041	280,170	274,947
Electricity losses on transmission	920	770	920	770
Reversal of provision on obsolete and slow-moving inventories	(8,327)	(28,343)	(8,318)	13,473
Other	1,538,372	1,352,408	691,347	693,360
<b>Total cost of sales</b>	<b>131,703,796</b>	<b>114,245,614</b>	<b>60,969,663</b>	<b>55,320,350</b>

**17 General and Administrative Expenses**

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>	<b>Three months ended 30 June 2022</b>	<b>Three months ended 30 June 2021</b>
Payroll and related expenses	3,828,949	3,514,303	1,975,197	1,754,312
Taxes and other state duties	3,413,399	226,920	2,294,753	75,863
Depreciation of property, plant and equipment and amortisation of intangible assets	481,977	481,521	240,247	237,064
Consulting and other professional services	258,426	286,756	57,821	84,376
Security services	216,953	217,456	106,139	108,864
Materials	115,453	85,967	51,614	55,837
Other	1,068,742	1,322,796	617,480	491,939
<b>Total general and administrative expenses</b>	<b>9,383,899</b>	<b>6,135,719</b>	<b>5,343,251</b>	<b>2,808,255</b>

## 18 Finance Costs

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>	<b>Three months ended 30 June 2022</b>	<b>Three months ended 30 June 2021</b>
Interest expense on borrowings and bonds	12,014,410	10,886,602	5,529,690	5,409,727
Unwinding of the present value of discount of loans and financial aids from the shareholder	3,117,111	2,888,237	1,587,204	1,463,958
Foreign exchange losses less gains	401,160	65,504	28,987	24,977
Dividends on preference shares of subsidiaries	211,391	91,143	211,391	91,143
Other	820,613	1,039,453	295,086	686,873
<b>Total finance costs</b>	<b>16,564,685</b>	<b>14,970,939</b>	<b>7,652,358</b>	<b>7,676,678</b>

## 19 Income Tax

<i>In thousands of Kazakhstani Tenge</i>	<b>Six months ended 30 June 2022</b>	<b>Six months ended 30 June 2021</b>	<b>Three months ended 30 June 2022</b>	<b>Three months ended 30 June 2021</b>
Current income tax expense	9,867,382	5,958,462	5,976,741	1,657,071
Deferred income tax benefit	(1,633,416)	(332,977)	(1,044,441)	(92,143)
<b>Total income tax expense</b>	<b>8,233,966</b>	<b>5,625,485</b>	<b>4,932,300</b>	<b>1,564,928</b>

## 20 Contingencies, Commitments and Operating Risks

In addition to the information below, as of 30 June 2022 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 2021.

### **Environmental matters**

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

The EGRES-1 station is the largest energy generating organisation with an installed capacity of 3,500 MW and provides electricity for 19% of consumption in the Republic of Kazakhstan. At the same time, EGRES-1 generates electricity in accordance with the operating mode specified by KEGOC JSC (system operator) based on the instructions (commands) of the system operator to ensure reliable operation of the energy system of Kazakhstan. Due to the growth in electricity consumption in the country and for the purpose of uninterrupted and reliable power supply to consumers, the generating capacities of EGRES-1 were used in full, which led to an increase in electricity generation and a shortage of quotas for greenhouse gas emissions starting from 2020.

In accordance with the Environmental Legislation of the Republic of Kazakhstan, EGRES-1 has the right to apply to the authorised body in the field of environmental protection to obtain an additional quota for greenhouse gas emissions if the volume of the main quota is insufficient in case of an increase in the capacity of the quota plant.



## **20 Contingencies, Commitments and Operating Risks (Continued)**

EGRES-1, the sole participant of EGRES-1 represented by Samruk-Energo JSC, repeatedly applied to the authorised body to obtain an additional quota for greenhouse gas emissions due to an increase in electricity generation in accordance with the instructions of KEGOC JSC. However, the decision of the authorised body was received with a significant delay on 11 August 2021 with a deficit of quotas for greenhouse gas emissions in the amount of 2 million tons for 2020. Accordingly, as a result of the decision taken by the authorised body, EGRES-1 was not able to pre-purchase an additional volume of quotas in the amount of 2 million tons from other organisations until 13 August 2021, i.e. before the expiration date for the purchase of allowances in the market to cover the deficit for the previous year.

In the period from 27 April to 20 May 2022, the Department of Ecology for the Pavlodar region carried out preventive supervision, and based on its results, an Order was issued to eliminate violations. Further, the State Environmental Inspector drew up a Protocol on an administrative offense on violation of paragraph 5 of Article 94-2 of the Environmental Code of the Republic of Kazakhstan, in this regard, on the formation of an administrative offense under Article 329 of the Code of Administrative Offenses.

Due to disagreement with the results of the audit, EGRES-1 is currently working to challenge the results of the audit.

The management believes that the EGRES-1 plant had a constructive right to receive an additional quota in full, based on practice and the need to ensure reliable operation of the energy system of the Republic of Kazakhstan. Also, if the deadlines for consideration of documents were observed by the authorised body, this would make it possible to purchase additional quotas from other operators in a timely manner. The Group has estimated the cost of acquiring additional volume of the quota from other organisations in the market in the amount of 2 billion tenge, taking into account the premium for volume, and has created a provision at the reporting date. As of 30 June 2022, the provision for the purchase of additional greenhouse gas emission allowances was included in Taxes payable and other payables to budget.

Based on the analysis of the main causes and facts, Management believes that the liability of EGRES-1 should not exceed the amount of the accrued provision. The production of additional volume of electricity not covered by the quota was carried out to ensure the reliable operation of the energy system of the Republic of Kazakhstan in accordance with the distribution of KEGOC JSC. If the amount of the additional quota obligation is exceeded, the production of the required electricity will not be economically viable for the Group at current tariffs.

### ***Compliance with covenants***

The Group has certain covenants on borrowings. 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 at 30 June 2022, the Group complied with all covenants, with the exception of financial and non-financial covenants under the agreement between Ereymentau Wind Power LLP and the Eurasian Development Bank. Due to the delay in the commissioning of the wind farm of Ereymentau Wind Power LLP (original commissioning date 13 December 2021), the Group received a waiver dated 8 June 2022 with an extension of the deadlines and a refusal for early repayment of loans as at 30 June 2022.

### ***Legal proceedings***

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

### ***Capital commitments***

The Group reviewed its exposure to seasonal and other emerging business risks and did not identify any risks that could affect the financial performance or position of the Group as of 30 June 2022. The Group has sufficient financial resources to fulfil its capital commitments and ensure the availability of working capital.

As at 30 June 2022, the Group had contractual commitments to purchase the property, plant and equipment for Tenge 66,791,270 thousand (31 December 2021: Tenge 84,376,182 thousand).

### ***Capital commitments of joint ventures and associates***

As at 30 June 2022, the Group's share in capital expenditure commitments of Forum Muider and SEGRES-2 comprised of Tenge 6,336,933 thousand and 13,774,882 thousand respectively (31 December 2021: Tenge 5,942,347 thousand and Tenge 12,892,412 thousand respectively).

## 21 Fair Value Disclosures

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

In thousands of Kazakhstani Tenge	30 June 2022				31 December 2021			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>ASSETS</b>								
Cash and cash equivalents	-	16,753,443	-	16,753,443	-	12,138,171	-	12,138,171
Restricted cash	-	405,776	-	405,776	-	365,038	-	365,038
Term deposit	-	226,186	-	226,186	-	255,820	-	255,820
Financial receivables	-	34,250,092	-	34,250,092	-	32,015,429	-	32,015,429
Other financial receivables	-	8,868,166	-	8,348,351	-	8,240,566	-	8,240,566
Long-term receivables	-	-	496	496	-	-	458	458
Dividends receivable	-	934,268	-	911,089	-	10,220,287	-	10,207,585
<b>Total financial assets</b>	<b>-</b>	<b>61,437,931</b>	<b>496</b>	<b>60,895,433</b>	<b>-</b>	<b>63,235,311</b>	<b>458</b>	<b>63,223,067</b>

In thousands of Kazakhstani Tenge	30 June 2022				31 December 2021			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Liabilities</b>								
Borrowings	-	266,660,715	-	278,297,353	-	285,788,849	-	294,894,666
Financial payables	-	25,672,118	-	25,672,118	-	36,885,896	-	36,885,896
Lease liabilities	-	1,839,379	-	1,839,379	-	2,423,162	-	2,423,162
Non-current payables	-	-	-	-	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>294,172,212</b>	<b>-</b>	<b>305,808,850</b>	<b>-</b>	<b>325,097,907</b>	<b>-</b>	<b>334,203,724</b>

### **Financial assets carried at amortised cost**

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

### **Financial liabilities carried at amortised cost**

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

### **Fair value of investment property.**

Investment properties include the lease agreement of Bukhtarminskaya HPS evaluated based on the present value of future lease payments. Fair value of the investment property is Tenge 3,698,325 thousand (31 December 2021: Tenge 1,834,598 thousand).

## 22 Events after the Reporting Period

On 7 July 2022 EGRES-1 made a fully early repayment of the principal debt to SB Sberbank Russia JSC in the amount of Tenge 3,737,500 thousand and paid accrued interest in the amount of Tenge 111,337 thousand.

On 25 July 2022 the Company obtained a borrowing in the amount of Tenge 8,500,000 thousand from Halyk Bank of Kazakhstan JSC.

On 26 July 2022 the Company made an early repayment of the principal debt on tranche A in the amount of Tenge 15,392,000 thousand under the Credit Line Agreement dated 5 December 2018, as well as interest, including on tranche A - Tenge 999,979 thousand, for tranche C – Tenge 1,009,379 thousand under a credit line agreement dated 8 November 2018 to Asian Development Bank.

### **23 Carrying Value of One Share**

Pursuant to the resolution of the Exchange Council of Kazakhstan Stock Exchange JSC ("KASE") dated 4 October 2010, the consolidated financial statements should contain data on the carrying amount of one share (ordinary and preference) at the reporting date calculated in accordance with the rules approved by KASE. At 30 June 2022, this indicator calculated by the Group's management based on the condensed consolidated interim financial statements amounted to Tenge 93,194 (31 December 2021: Tenge 88,985). The table for calculating the carrying amount of one share is as follows:

<i>In thousands of Kazakhstani Tenge</i>	<b>30 June 2022</b>	<b>31 December 2021</b>
Total assets	933,469,963	939,820,011
Less: intangible assets	(3,895,513)	(4,165,145)
Less: total liabilities	(410,404,090)	(437,179,560)
Net assets for ordinary shares	519,170,360	498,475,306
Number of ordinary shares at the reporting date	5,601,812	5,601,812
<b>Carrying amount of one share, Tenge</b>	<b>92,679</b>	<b>88,985</b>

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