

**Kazakhstan Electricity Grid
Operating Company**

Unaudited interim condensed
consolidated financial statements

*As of and for the three months
ended on 31 March 2020*

TABLE OF CONTENTS

The interim condensed consolidated financial statements

Interim consolidated statement of financial position.....	1-2
Interim consolidated statement of comprehensive income	3
Interim consolidated statement of cash flows	4-5
Interim consolidated statement of changes in equity.....	6
Notes to the interim condensed consolidated financial statements.....	7-29

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As on 31 March 2020

<i>In thousands of tenge</i>	Note	31 March 2020 (unaudited)	31 December 2019 (audited)
Assets			
Non-current assets			
Property, plant and equipment	4	644,693,046	651,570,990
Intangible assets		1,588,367	1,411,900
Advances paid for non-current assets	4	5,289,223	1,485,220
Other financial assets, non-current portion	7	2,228,542	1,951,795
Deferred tax assets		45,654	53,436
Investments in associates		1,928,356	1,862,241
Long-term receivables from related parties	21	816,703	840,324
		656,589,891	659,175,906
Current assets			
Inventories	5	2,415,058	2,134,157
Trade accounts receivable	6	35,386,732	21,901,834
VAT recoverable and other taxes prepaid		390,702	698,928
Prepaid income tax		125,990	922,475
Other financial assets, current portion	7	56,179,796	45,260,710
Restricted cash	8	2,160,493	4,274,085
Other current assets		3,226,127	739,483
Cash and cash equivalents	9	35,554,831	21,179,282
		135,439,729	97,110,954
Assets held for sale			700,861
Total assets		792,029,620	756,987,721

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

<i>In thousands of tenge</i>	Note	31 March 2020 (unaudited)	31 December 2019 (audited)
Equity and liabilities			
Equity			
Charter capital	10	126,799,554	126,799,554
Treasury shares	10	(930)	(930)
Asset revaluation reserve	10	310,231,798	310,369,243
Retained earnings		57,571,957	44,670,157
		494,602,379	481,838,024
Non-current liabilities			
Loans, non-current portion	11	60,666,614	56,925,610
Bonds, non-current portion	12	83,673,946	83,671,184
Deferred tax liability		89,972,393	89,995,249
Government grant, non-current portion		51,935	59,543
Finance lease liability, non-current portion		210,403	156,661
		234,575,291	230,808,247
Current liabilities			
Loans, current portion	11	10,868,426	6,083,377
Bonds, current portion	12	5,627,094	3,645,344
Trade and other accounts payable, current portion	13	33,360,239	23,389,482
Construction obligations		-	683,430
Contractual obligations		3,367,692	2,167,885
Government grant, current portion		30,430	30,430
Finance lease liability, current portion		192,836	262,882
Taxes payable other than income tax	14	4,455,160	3,371,344
Income tax payable		1,131,174	723,620
Dividends payable		-	56
Other current liabilities	15	3,818,899	3,983,600
		62,851,950	44,341,450
Total liabilities		297,427,241	275,149,697
Total equity and liabilities		792,029,620	756,987,721
Book value per ordinary share (in Tenge)	10	1,896	1,848

Managing Director for Finance and Accounting



Aibek Botabekov

Chief accountant

Dinara Mukanova

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended on 31 March 2020

<i>In thousands of tenge</i>	Note	For the three months ended	
		31 March 2020 (unaudited)	31 March 2019 (unaudited)
Income	16	83,650,322	63,106,249
Cost of services	17	(58,604,520)	(45,413,323)
Gross profit		25,045,802	17,692,926
General and administrative expenses	18	(1,711,469)	(1,674,996)
Selling expenses		(79,433)	(76,356)
(Loss from) / reversal of impairment		–	(39,747)
Operating profit		23,254,900	15,901,827
Finance income	19	1,062,227	880,918
Finance costs	19	(2,735,586)	(1,879,194)
Foreign exchange gain/(loss), net		(5,418,443)	865,774
Share in profit/(loss) of associate		66,115	311,261
(Accrual)/reversal of provision for expected credit losses		(326,681)	26,880
Other income		247,921	147,351
Other expenses		(159,651)	(31,352)
Profit before taxation		15,990,802	16,223,465
Income tax expenses	20	(3,226,447)	(2,818,156)
Profit for the period		12,764,355	13,405,309
Other comprehensive income, net of income tax			
Total comprehensive income for the period, net of income tax		12,764,355	13,405,309
Earnings per share			
Basic and diluted profit for the period attributable to ordinary equity holders of the parent company (in tenge)	10	49.09	51.56

Managing Director for Finance and Accounting



Dinara Mukanova

Chief accountant

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended on 31 March 2020

<i>In thousands of tenge</i>	For the three months ended	
	31 March 2020 (unaudited)	31 March 2019 (unaudited)
I. CASH FLOWS FROM OPERATIONS		
1. Cash inflow, total	82,116,214	58,680,202
including:		
sales of goods and services	80,528,718	57,387,728
other revenue	4,884	6,051
advances received from buyers, customers	422,151	902,014
insurance contract receipts	-	-
interest received	1,123,022	362,980
other receipts	37,439	21,429
2. Cash outflow, total	51,401,884	38,509,236
including:		
Payments to suppliers for goods and services	34,929,887	21,418,444
advances to suppliers for goods and services	2,166,007	1,908,682
payroll expenses	4,090,558	3,630,006
interest paid	881,919	1,049,791
insurance contract payments	-	-
income tax and other payments to the national budget	8,260,118	6,683,994
Other payments	1,073,395	3,818,177
3. Net cash flow from operations	30,714,330	20,170,966
II. CASH FLOWS FROM INVESTMENTS		
1. Cash inflow, total	42,090,463	11,510,634
including:		
sale of fixed assets	49,124	49,124
sale of intangible assets	-	-
sale of other long-term assets	-	-
sale of equity instruments of other organizations (other than subsidiaries) and share of ownership in joint ventures	-	-
sale of debt instruments of other organizations	26,000,000	-
compensation for loss of control over subsidiaries	-	-
withdrawal of cash deposits	11,073,366	9,362,811
sale of other financial assets	-	-
futures and forward contracts, options and swaps	-	-
dividends received	-	-
interest received	-	-
other receipts	4,967,973	2,098,699
2. Cash outflow, total	57,802,397	20,683,522
including:		
purchase of property, plant and equipment	10,280,784	5,459,521
purchase of intangible assets	12,404	19,775
purchase of other long-term assets	-	-
purchase of equity instruments of other organizations (other than subsidiaries) and share of ownership in joint ventures	-	-
purchase of debt instruments of other organizations	29,929,911	-
purchase of control over subsidiaries	-	-
placement of cash deposits	14,974,949	12,452,461

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended on 31 March 2020

purchase of other financial assets	-	-
lending	-	-
futures and forward contracts, options and swaps	-	-
investments in associates and subsidiaries	-	-
Other payments	2,604,349	2,751,765
3. Net cash flow from investments	(15,711,934)	(9,172,888)
III. CASH FLOWS FROM FINANCING ACTIVITIES	-	-
1. Cash inflow, total	-	-
including:		
issue of shares and other financial instruments	-	-
loans received	-	-
interest received	-	-
other receipts	-	-
2. Cash outflow, total	1,145,413	1,077,739
including:		
repayment of borrowings	1,145,413	1,077,460
interest paid	-	-
dividends paid	-	279
payments to shareholders on shares of the organization	-	-
other disposals	-	-
3. Net cash flow from financing activities	(1,145,413)	(1,077,739)
IV. Tenge impact of FX rates	(512,676)	(66,777)
V. The impact of changes in the carrying amount of cash and cash equivalents	5,890	(6,943)
VI. Increase +/- decrease in cash	14,375,549	9,846,619
VII. Cash and cash equivalents as of the beginning of the reporting period	21,179,282	19,264,868
VIII. Cash and cash equivalents as of the end of the reporting period	35,554,831	29,111,487

Managing Director for Finance and Accounting



Aibek Botabekov

Chief accountant

Dmara Mukanova

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended on 31 March 2020

<i>In thousands of tenge</i>	Charter capital	Asset revaluation reserve	Treasury shares	Other reserves	Retained earnings	Total
1 January 2019	126,799,554	310,840,187	(930)	(37,081)	35,092,074	472,693,804
Profit for the reporting period	-	-	-	-	13,405,309	13,405,309
Transfer of asset revaluation reserve		(16,424)			16,424	
31 March 2019	126,799,554	310,823,763	(930)	(37,081)	48,513,807	486,099,113
31 December 2019	126,799,554	310,369,243	(930)	-	44,670,157	481,838,024
Profit for the reporting period					12,764,355	12,764,355
Transfer of asset revaluation reserve		(137,445)			137,445	
31 March 2020	126,799,554	310,231,798	(930)	-	57,571,957	494,602,379

Managing Director for Finance and Accounting



Aibek Botabekov

Chief accountant



Binara Mukanova

The notes on pages 7 to 29 are an integral part of these interim condensed consolidated financial statements.