

“Sovereign Wealth Fund “Samruk-Kazyna” JSC

Interim condensed consolidated financial statements
(unaudited)

As at September 30, 2022 and for the three and nine months then ended

CONTENTS

Interim condensed consolidated financial statements (unaudited)

Interim consolidated statement of financial position.....	1-2
Interim consolidated statement of comprehensive income	3-4
Interim consolidated statement of changes in equity	5-6
Interim consolidated statement of cash flows	7-8
Notes to the interim condensed consolidated financial statements (unaudited)	9-52

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>In millions of tenge</i>	Note	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Assets			
Non-current assets			
Property, plant and equipment	8	14,871,481	14,264,058
Intangible assets	9	2,023,112	2,004,032
Exploration and evaluation assets	10	305,058	278,949
Investment property		36,961	37,014
Investments in joint ventures and associates	11	6,821,529	5,681,234
Amounts due from credit institutions	12	288,057	104,803
Loans issued and finance lease receivables		163,925	357,413
Other non-current financial assets	13	745,095	667,832
Other non-current assets	14	645,799	578,190
Deferred tax assets		96,922	69,148
		25,997,939	24,042,673
Current assets			
Inventories	15	857,717	728,897
VAT receivable		150,329	168,889
Income tax prepaid		61,881	55,513
Trade accounts receivable	16	1,323,954	1,024,892
Amounts due from credit institutions	12	757,793	671,859
Loans issued and finance lease receivables		261,119	46,703
Other current financial assets	13	331,401	506,895
Other current assets	16	279,380	209,986
Cash and cash equivalents	17	3,874,754	2,810,730
		7,898,328	6,224,364
Assets classified as held for sale or distribution to the Shareholder	7	1,469	42,721
		7,899,797	6,267,085
Total assets		33,897,736	30,309,758

The explanatory notes on pages 9 through 52 form an integral part of these interim condensed consolidated financial statements (unaudited).

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

<i>In millions of tenge</i>	Note	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Equity and liabilities			
Equity attributable to equity holder of the Parent			
Share capital		5,268,819	5,268,580
Currency translation reserve		2,547,612	1,894,545
Revaluation reserve of investments at fair value through other comprehensive income		33,252	32,694
Hedging reserve		(26,021)	(48,906)
Other capital reserves		(16,984)	(16,984)
Retained earnings		9,429,491	8,125,704
		17,236,169	15,255,633
Non-controlling interests		2,145,507	1,917,459
Total equity		19,381,676	17,173,092
Non-current liabilities			
Borrowings	19	7,442,721	6,908,483
Loans from the Government of the Republic of Kazakhstan	20	585,594	569,105
Provisions	22	372,261	442,394
Lease liabilities	21	379,936	379,985
Employee benefit liabilities		121,905	125,455
Other non-current liabilities	23	174,188	187,843
Deferred tax liabilities		1,618,869	1,333,617
		10,695,474	9,946,882
Current liabilities			
Borrowings	19	654,507	954,209
Loans from the Government of the Republic of Kazakhstan	20	8,551	10,264
Provisions	22	144,309	100,348
Income taxes payable		103,441	16,766
Trade and other payables	24	1,363,544	1,118,055
Lease liabilities	21	128,948	129,676
Employee benefit liabilities		14,675	14,981
Other current liabilities	24	1,402,611	845,485
		3,820,586	3,189,784
Total liabilities		14,516,060	13,136,666
Total equity and liabilities		33,897,736	30,309,758

Managing Director for Economy and Finance –
Member of the Management Board



Nazira Nurbayeva

Chief accountant

Almaz Abdrakhmanova

The explanatory notes on pages 9 through 52 form an integral part of these interim condensed consolidated financial statements (unaudited).

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In millions of tenge</i>	Note	For the three months ended September 30		For the nine months ended September 30	
		2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Revenue	25	3,765,075	2,898,723	11,375,430	8,233,428
Government grants		10,715	12,956	27,602	31,945
		3,775,790	2,911,679	11,403,032	8,265,373
Cost of sales	26	(2,732,229)	(2,216,105)	(8,618,519)	(6,134,722)
Gross profit		1,043,561	695,574	2,784,513	2,130,651
General and administrative expenses	27	(108,720)	(98,365)	(324,183)	(293,213)
Transportation and selling expenses	28	(230,325)	(168,522)	(677,637)	(554,657)
Expected credit losses on financial assets, net		(5,406)	(310)	(19,741)	(9,886)
Impairment loss, net	29	(49)	(62,916)	(1,932)	(88,444)
Gain/(loss) on disposal of subsidiaries		–	242	–	(1,485)
Operating profit		699,061	365,703	1,761,020	1,182,966
Finance costs	30	(154,809)	(134,563)	(485,514)	(403,212)
Finance income	31	76,108	57,275	205,224	117,891
Other non-operating loss		(50,691)	(13,864)	(82,405)	(29,945)
Other non-operating income		25,331	27,348	47,245	80,664
Share in profit of joint ventures and associates, net	32	376,341	272,137	1,151,326	782,938
Net foreign exchange income/(loss), net	2	57,533	(9,081)	(85,388)	(10,585)
Profit before income tax		1,028,874	564,955	2,511,508	1,720,717
Income tax expenses	33	(193,154)	(107,877)	(524,906)	(335,454)
Net profit for the period		835,720	457,078	1,986,602	1,385,263

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INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

In millions of tenge	Note	For the three months ended September 30		For the nine months ended September 30	
		2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Other comprehensive income/(loss)					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of foreign operations	18.4	97,428	(32,372)	759,786	63,976
Unrealized (loss)/gain from revaluation of investments at fair value through other comprehensive income		1,284	155	(1,891)	236
Gain on cash flow hedge		5,211	1,721	22,741	6,142
Reclassification to profit or loss of the revaluation reserve for the sale of financial assets at fair value through other comprehensive income		388	(51)	(303)	266
Share of the other comprehensive (loss)/income of associates and joint ventures	11	(1,000)	(136)	2,474	481
Tax effect on transactions of OCI components		(7,350)	2,841	(49,924)	(4,876)
Other comprehensive income to be reclassified to profit or loss in subsequent periods		95,961	(27,842)	732,883	66,225
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Share of the other comprehensive (loss)/income of associates and joint ventures	11	(17)	(21)	99	(1)
Actuarial gain/(loss) on defined benefit plans		3,855	(339)	8,724	262
Tax effect on transactions of OCI components		227	79	90	122
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		4,065	(281)	8,913	383
Other comprehensive income for the period, net of tax		100,026	(28,123)	741,796	66,608
Total comprehensive income for the period, net of tax		935,746	428,955	2,728,398	1,451,871
Net profit for the period attributable to:					
Equity holder of the Parent		703,224	392,168	1,659,586	1,201,599
Non-controlling interests		132,496	64,910	327,016	183,664
		835,720	457,078	1,986,602	1,385,263
Total comprehensive income for the period, net of tax, attributable to:					
Equity holder of the Parent		786,332	365,901	2,341,372	1,261,709
Non-controlling interests		149,414	63,054	387,026	190,162
		935,746	428,955	2,728,398	1,451,871
Earnings per share - tenge					
Basic and diluted	18.6	240.01	131.27	570.54	397.84

Managing Director for Economy and Finance –
Member of the Management Board



Nazira Nurbayeva

Chief accountant

Almaz Abdрахmanova

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INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of tenge	Note	Attributable to the equity holder of the Parent							Non-controlling interests	Total
		Share capital	Revaluation reserve of investments at fair value through other comprehensive income	Currency translation reserve	Hedging reserve	Other capital reserves	Retained earnings	Total		
Balance as at December 31, 2020 (audited)		5,258,657	31,464	1,763,499	(60,416)	(16,984)	6,502,544	13,478,764	1,672,851	15,151,615
Net profit for the period		-	-	-	-	-	1,201,599	1,201,599	183,664	1,385,263
Other comprehensive income for the period		-	503	54,566	4,770	-	271	60,110	6,498	66,608
Total comprehensive income for the period		-	503	54,566	4,770	-	1,201,870	1,261,709	190,162	1,451,871
Issue of shares		9,923	-	-	-	-	-	9,923	5,195	15,118
Dividends		-	-	-	-	-	-	-	(84,516)	(84,516)
Other transactions with the Shareholder		-	-	-	-	-	6,286	6,286	-	6,286
Other distributions to the Shareholder		-	-	-	-	-	(33,953)	(33,953)	-	(33,953)
Transfer of assets to the Shareholder		-	-	-	-	-	(312)	(312)	-	(312)
Discount on loans from the Government		-	-	-	-	-	(113)	(113)	-	(113)
Disposal of subsidiaries		-	-	-	-	-	-	-	1,225	1,225
Change in ownership interests of subsidiaries – disposal of interest that does not result in the loss of control		-	-	-	-	-	206,443	206,443	35,274	241,717
Liability on buyback of ownership interest in the subsidiary		-	-	-	-	-	(140,387)	(140,387)	(46,050)	(186,437)
Other equity movements		-	-	331	(331)	-	173	173	58	231
Balance as at September 30, 2021 (unaudited)		5,268,580	31,967	1,818,396	(55,977)	(16,984)	7,742,551	14,788,533	1,774,199	16,562,732

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INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

<i>In millions of tenge</i>	Note	Attributable to the equity holder of the Parent						Total	Non-controlling interests	Total
		Share capital	Revaluation reserve of investments at fair value through other comprehensive income	Currency translation reserve	Hedging reserve	Other capital reserves	Retained earnings			
Balance as at December 31, 2021 (audited)		5,268,580	32,694	1,894,545	(48,906)	(16,984)	8,125,704	15,255,633	1,917,459	17,173,092
Net profit for the period		–	–	–	–	–	1,659,586	1,659,586	327,016	1,986,602
Other comprehensive income for the period		–	558	652,540	23,412	–	5,276	681,786	60,010	741,796
Total comprehensive income for the period			558	652,540	23,412	–	1,664,862	2,341,372	387,026	2,728,398
Issue of shares	18.1	239	–	–	–	–	–	239	431	670
Dividends	18.2	–	–	–	–	–	(170,024)	(170,024)	(160,461)	(330,485)
Other distributions to the Shareholder	18.3	–	–	–	–	–	(200,910)	(200,910)	–	(200,910)
Discount on loans from the Government		–	–	–	–	–	(78)	(78)	–	(78)
Acquisition of joint venture	6	–	–	–	–	–	9,937	9,937	1,052	10,989
Other equity movements		–	–	527	(527)	–	–	–	–	–
Balance as at September 30, 2022 (unaudited)		5,268,819	33,252	2,547,612	(26,021)	(16,984)	9,429,491	17,236,169	2,145,507	19,381,676

Managing Director for Economy and Finance –
Member of the Management Board

Chief accountant



Nazira Nurbayeva

Almaz Abdrakhmanova

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INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

<i>In millions of tenge</i>	Note	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Cash flows from operating activities			
Receipts from customers		12,352,758	8,800,680
Payments to suppliers		(7,105,733)	(5,229,644)
Payments to employees		(1,037,143)	(804,330)
Other taxes and payments		(1,527,145)	(1,227,314)
Operations with financial instruments (the Fund and Kazpost JSC)		11,661	15,489
Short-term lease payments and variable lease payments		(94,283)	(30,894)
Other payments		(110,615)	(55,413)
Return of VAT from the budget		94,103	134,602
Proceeds from subsidized interest rates on financial liabilities		29,276	-
Receipts from suppliers under the arbitration decision		-	112,058
Income taxes paid		(265,394)	(171,073)
Interest paid		(391,866)	(363,444)
Interest received		131,390	65,856
Net cash flows received from operating activities		2,087,009	1,246,573
Cash flows from investing activities			
Acquisition of property, plant and equipment, exploration and evaluation assets and other non-current assets		(846,480)	(857,540)
Acquisition of intangible assets		(19,918)	(18,183)
Proceeds from the sale of property, plant and equipment		4,088	31,643
Proceeds from the sale of other non-current assets		1,664	42,531
(Placement)/redemption of bank deposits, net		(218,931)	(347,527)
Sale of joint ventures and associates, net		148	173
Additional contributions to share capital of joint ventures and associates without change in ownership	11	(125)	(1,925)
Dividends received from joint ventures and associates	11	479,513	248,090
Loans issued		(9,446)	(13,807)
Repayment of loans issued		21,556	15,346
Purchase of debt instruments		(728,974)	(336,379)
Proceeds from sale/repayment by issuers of debt instruments		739,490	297,945
Acquisition of subsidiaries, net of cash acquired with the subsidiary		-	89
Proceeds from sale of subsidiaries, net of cash of disposed subsidiaries		1,268	3,998
Other (payments)/receipts		(32,114)	15,524
Net cash flows used in investing activities		(608,261)	(920,022)

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INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

<i>In millions of tenge</i>	Note	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Cash flows from financing activities			
Proceeds from borrowings	19	698,999	629,136
Repayment of borrowings	19	(960,648)	(573,759)
Repayment of lease liabilities	21	(94,087)	(90,129)
Contributions by non-controlling interests		50	228
Distributions to the Shareholder	18.3	(86,035)	(58,361)
Dividends paid to non-controlling interests of subsidiaries	18.2	(159,194)	(83,816)
Disposal of interest that does not result in the loss of control		-	185,858
Contributions to the share capital by the Equity holder of the Parent		-	9,923
Reservation of cash for payment of borrowings		-	(32,799)
Other payments		(2,343)	(196)
Net cash flows used in financing activities		(603,258)	(13,915)
Net increase in cash and cash equivalents		875,490	312,636
Effects of exchange rate changes on cash and cash equivalents		188,335	13,279
Changes in cash and cash equivalents disclosed as part of assets classified as held for sale		-	721
Change in allowance for expected credit losses		199	(426)
Cash and cash equivalents, at the beginning of the period		2,810,730	2,227,669
Cash and cash equivalents, at the end of the period	17	3,874,754	2,553,879

Managing Director for Economy and Finance –
Member of the Management Board



Nazira Nurbayeva

Chief accountant

Almaz Abdрахmanova

*The explanatory notes on pages 9 through 52 form an integral part of
these interim condensed consolidated financial statements (unaudited).*

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

1. GENERAL INFORMATION

Corporate information

“Sovereign Wealth Fund “Samruk-Kazyna” JSC (hereinafter – the “Fund” or “Samruk-Kazyna”) was established on November 3, 2008 in accordance with the Decree of the President of the Republic of Kazakhstan dated October 13, 2008 and the Resolution of the Government of the Republic of Kazakhstan dated October 17, 2008. The formation was enacted by the merger of “Sustainable Development Fund “Kazyna” JSC (hereinafter – “Kazyna”) and “Kazakhstan Holding Company for State Assets Management “Samruk” JSC (hereinafter – “Samruk”) and the additional transfer to the Fund of interests in certain entities owned by the Government of the Republic of Kazakhstan (hereinafter – the “State” or the “Government”). The Government is the sole shareholder of the Fund (hereinafter – the “Shareholder” or the “Parent”).

During this process the Government’s overall objective was to increase management efficiency and to optimise organisational structures for them to successfully achieve their strategic objectives as set in the respective Government programs.

The Fund is a holding company combining companies listed in *Note 34* (hereinafter – the “Group”). Prior to February 1, 2012, the Fund’s activities were governed by the Law of the Republic of Kazakhstan *On National Welfare Fund* No. 134-4 dated February 13, 2009 and were aimed to assist in provision of stable development of the state economy, modernization and diversification of economy, and improvement of the Group companies’ efficiency. According to the Law of the Republic of Kazakhstan enacted on February 1, 2012 *On Sovereign Wealth Fund* No. 550-4, the Fund’s activity is focused on improving sovereign wealth of the Republic of Kazakhstan by increasing the long-term value of the Group companies and by effective management of the Group assets.

For management purposes, the Group is organized into organizational business units based on their products and services, and has 8 (eight) reportable operating segments as follows (*Note 38*):

- Oil-and-gas and petrochemical segment includes operations related to exploration and production of oil and gas, transportation of oil and gas, refining and trading of crude oil, gas and refined products, and production of oil-and-gas and petrochemical products;
- Transportation segment includes operations related to railway and air transportation of cargo and passengers;
- Communication segment includes operation of fixed line communication, including local, long-distance intercity and international telecommunication services (including CIS and non-CIS countries); and also renting out of lines, data transfer services and wireless communication services;
- Energy segment includes operations related to production and distribution of electricity, the function of oversight over the input of electricity into the energy system and consumption of imported electricity, the function of centralized operation and dispatch of facilities in the Unified Energy System of Kazakhstan;
- Mining segment includes exploration, mining, processing, sales of mineral resources and geological exploration;
- Industrial segment includes industry enterprises and projects of chemical industry;
- Corporate center segment covers Fund’s investing and financing activities, including provision of loans to related and third parties;
- Other segment includes operations related to assisting the Government in increasing housing availability by investing into residential development and other operations.

The address of the Fund’s registered office is 17/10 Syganak str., Astana, the Republic of Kazakhstan.

These interim condensed consolidated financial statements were authorised for issue by Managing Director for Economy and Finance – Member of the Management Board and Chief accountant of the Fund on November 30, 2022.

Privatization plan

On April 30, 2014 the Government approved the initial Privatization Plan for 2014-2016. On December 30, 2015 the Government approved the new 2016-2020 Complex Privatization Plan and the list of all state owned assets to be privatized, including certain Fund subsidiaries. On December 29, 2020, by the Resolution of the Government of the Republic of Kazakhstan No. 908 *On Some Issues of Privatization for 2021-2025*, a new comprehensive Privatization Plan for 2021-2025 was approved (hereinafter – the “Privatization Plan”), which includes a new list of state owned organizations and assets of the Fund’s group to be privatized and transferred to a competitive environment.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements for the three and nine months ended September 30, 2022 were prepared in accordance with International Accounting Standard No. 34 *Interim Financial Statements* (IAS 34). These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended December 31, 2021.

These interim condensed consolidated financial statements are presented in Kazakhstani tenge (“tenge”) and all monetary amounts are rounded to the nearest million tenge except where otherwise indicated.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group’s entities included in these interim condensed consolidated financial statements for the three and nine months ended September 30, 2022 are measured using the currency of the primary economic environment in which the entities operate (hereinafter – “the functional currency”).

The interim condensed consolidated financial statements are presented in tenge, which is the Group’s presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Group entities

Gains, losses and financial position of all of the Group’s subsidiaries, joint ventures and associates (none of which has the currency of a hyperinflationary economy) that have a functional currency different from their presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at that reporting date;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates; in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognized as a separate component of other comprehensive income.

Exchange rates

Weighted average currency exchange rates established by the Kazakhstan Stock Exchange (hereinafter – “KASE”) are used as official currency exchange rates in the Republic of Kazakhstan.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

2. BASIS OF PREPARATION (continued)

Foreign currency translation (continued)

Exchange rates (continued)

The following table presents foreign currency exchange rate to tenge:

	September 30, 2022	December 31, 2021	Weighted average for the nine months ended September 30, 2022	Weighted average for the nine months ended September 30, 2021	November 30, 2022
United States dollar (“USD”)	476.71	431.80	458.6	424.7	468.9
Euro (“EUR”)	467.03	489.10	487.97	508.08	485.64
Russian ruble (“RUR”)	8.36	5.76	6.73	5.74	7.7

For the nine months ended September 30, 2022, the Group had foreign exchange loss of 6,878,761 million tenge and foreign exchange gain of 6,793,373 million tenge, due to fluctuations in foreign exchange rates to tenge.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New and amended standards and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards and interpretations effective as of January 1, 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group.

The Group presented only the list of standards effective and applicable for the Group.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments had no impact on the interim condensed consolidated financial statements of the Group.

Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments add an exception to the recognition principle of IFRS 3 *Business Combinations* to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no contingent assets, liabilities and contingent liabilities within the scope of these amendments arisen during the period.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New and amended standards and interpretations (continued)

IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. There is no similar amendment proposed for IAS 39 *Financial Instruments: Recognition and Measurement*. These amendments had no impact on the interim condensed consolidated financial statements of the Group as there were no modifications of the Group’s financial instruments during the period.

The Group intends to apply the amendments in the future periods if they become applicable.

Renegotiation of loans in the context of IBOR reform

In the context of IBOR reform, some financial instruments have already been amended or will be amended as they transition from IBORs to risk free rates (further RFR). In addition to the interest rate of a financial instrument changing, there may be other changes made to the terms of the financial instrument at the time of transition. For financial instruments measured at amortised cost, the Group first applies the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued;
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

Second, for any changes not covered by the practical expedient, the Group applies judgement to assess whether the changes are substantial and if they are, the financial instrument is derecognized and a new financial instrument is recognized. If the changes are not substantial, the Group adjusts the gross carrying amount of the financial instrument by the present value of the changes not covered by the practical expedient, discounted using the revised effective interest rate.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim condensed consolidated financial statements required management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, the significant judgements made by management is applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2021.

Power generating assets

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 June 30, 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.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Power generating assets (continued)

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 (continued)

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.

5. SEASONALITY OF OPERATIONS

The Group’s operating expenses are subject to seasonal fluctuations, with higher expenses for various materials, production services, maintenance and other services usually expected in the second half of the year rather than in the first nine months. These fluctuations are mainly due to requirements to conduct formal public tenders during the first nine months with goods and services being purchased in the second nine months of the year.

6. ACQUISITION OF JOINT VENTURE

PETROSUN LLP (further Petrosun)

On July 1, 2022, in accordance with the minutes of the meeting of the Commission under the chairmanship of the Prime-Minister of RK for the demonopolization of the economy, namely the market of fuels and lubricants, the Company acquired 49% interest in Petrosun, that specializes in the sale of liquefied petroleum gas and petroleum products. The acquisition price was 1 tenge. The difference between the consideration paid and the fair value of identifiable assets and liabilities of Petrosun at the date of acquisition was presented in the line «Acquisition of joint ventures» in interim consolidated statement of changes in equity in the amount of 10,989 million tenge based on instruction in minutes above. 49% interest in Petrosun is recognized as a joint venture and accounts for using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. CNPC INTERNATIONAL IN KAZAKHSTAN LLP (the second owner of Petrosun) and the Company have joint control over Petrosun where decisions about the relevant activities of Petrosun require the unanimous consent.

These interim condensed consolidated financial statements include share in Petrosun's profits for the three months since the acquisition date in the amount of 12,587 million tenge (*Note 32*).

The fair values of the identifiable assets and liabilities of Petrosun as at the date of acquisition are as presented below:

In millions of tenge

Non-current assets	35
Current assets, including:	103,762
<i>Inventories</i>	33,770
<i>Advanced paid</i>	54,930
Current liabilities, including:	(81,371)
<i>Contract liabilities</i>	(34,237)
<i>Borrowings</i>	(38,198)
Total identifiable net assets at fair value	22,426
Share of ownership	49%
The Group’s share in net assets at fair value	10,989
Purchase consideration transferred	–
Difference between consideration and fair value of the investment in joint venture recognized in equity	10,989

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

7. ASSETS CLASSIFIED AS HELD FOR SALE OR DISTRIBUTION TO THE SHAREHOLDER

Assets classified as held for sale or distribution to the Shareholder comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Assets classified as held for sale	1,365	42,617
Assets classified as held for distribution to Shareholder	104	104
	1,469	42,721

On May 31, 2022, the Group sold the “Aral” gas compressor station to Beineu-Shymkent Pipeline LLP with carrying value of 40,378 million tenge for consideration of 42,726 million tenge. As a result of the sale of this asset, the Group recognized net income from the disposal of assets held for sale in the amount of 1,174 million tenge, net of elimination of unrealized gain of 1,174 million tenge. As at September 30, 2022 the cash consideration has not been received.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

8. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment are presented as follows:

<i>In millions of tenge</i>	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infra- structure	Machinery, equipment and vehicles	Mining assets	Other	Construc- tion in progress	Total
Net book value at January 1, 2021 (audited)	4,455,419	1,986,120	1,176,291	1,161,613	3,315,856	154,747	198,742	1,255,097	13,703,885
Foreign currency translation	44,619	3,554	894	29	4,492	-	1,086	2,467	57,141
Changes in estimates	(11,609)	(633)	3,957	-	35	(205)	(3,353)	(49)	(11,857)
Additions	29,040	11,705	6,785	28	96,645	23,898	2,977	732,427	903,505
Additions through lease agreements	1,423	32,599	5,274	-	67,839	-	3,614	-	110,749
Capitalized repair works on right-of-use assets	-	-	-	-	6,949	-	-	-	6,949
Disposals	(21,690)	(43,034)	(6,541)	(4,012)	(32,181)	(987)	(5,043)	(803)	(114,291)
Depreciation charge	(212,635)	(132,204)	(53,162)	(27,795)	(259,120)	(23,141)	(17,221)	-	(725,278)
Depreciation and impairment on disposals	18,521	14,761	2,786	3,792	27,798	1	4,457	372	72,488
Impairment, net of reversal of impairment (Note 29)	(563)	(2,973)	246	(542)	(151)	199	3	(456)	(4,237)
Transfer from/(to) assets classified as held for sale	-	(24)	(13,351)	-	(35,895)	-	(560)	(24)	(49,854)
Transfers from/(to) intangible assets (Note 9)	989	-	(1)	-	(1)	-	-	(2,845)	(1,858)
Transfers from/(to) exploration and evaluation assets/investment property	145	-	(712)	-	89	-	(22)	-	(500)
Transfer from/(to) inventories	46	6,181	(22)	(193)	770	4,195	722	2,250	13,949
Other transfers and reclassifications	74,977	20,849	12,364	7,044	172,431	1,153	19,803	(308,621)	-
Net book value at September 30, 2021 (unaudited)	4,378,682	1,896,901	1,134,808	1,139,964	3,365,556	159,860	205,205	1,679,815	13,960,791
Historical cost	6,338,383	3,650,433	1,766,503	1,449,379	6,059,357	359,992	399,314	1,797,446	21,820,807
Accumulated depreciation and impairment	(1,959,701)	(1,753,532)	(631,695)	(309,415)	(2,693,801)	(200,132)	(194,109)	(117,631)	(7,860,016)
Net book value at September 30, 2021 (unaudited)	4,378,682	1,896,901	1,134,808	1,139,964	3,365,556	159,860	205,205	1,679,815	13,960,791

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

8. PROPERTY, PLANT AND EQUIPMENT (continued)

<i>In millions of tenge</i>	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infra- structure	Machinery, equipment and vehicles	Mining assets	Other	Construc- tion in progress	Total
Including right-of-use assets under lease agreements									
Net book value at January 1, 2021 (audited)	40,947	6,253	69,501	–	355,064	–	30,137	–	501,902
Foreign currency translation	1,161	66	167	–	3,791	–	282	–	5,467
Changes in estimates	–	11	3,995	–	36	–	(3,353)	–	689
Additions through lease agreements	1,423	32,599	5,274	–	67,839	–	3,614	–	110,749
Capitalized repair works on right-of-use assets	–	–	–	–	6,949	–	–	–	6,949
Disposals	–	(9)	(2,825)	–	(6,496)	–	(422)	–	(9,752)
Depreciation charge	(5,816)	(24,625)	(11,764)	–	(51,181)	–	(4,179)	–	(97,565)
Depreciation and impairment on disposals	–	9	704	–	5,876	–	352	–	6,941
Net book value at September 30, 2021 (unaudited)	37,715	14,304	65,052	–	381,878	–	26,431	–	525,380
Historical cost of right-of-use assets under lease agreements	55,786	39,689	108,645	–	649,322	–	35,377	–	888,819
Accumulated depreciation and impairment of right-of-use assets under lease agreements	(18,071)	(25,385)	(43,593)	–	(267,444)	–	(8,946)	–	(363,439)
Net book value at September 30, 2021 (unaudited)	37,715	14,304	65,052	–	381,878	–	26,431	–	525,380

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

8. PROPERTY, PLANT AND EQUIPMENT (continued)

<i>In millions of tenge</i>	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infra- structure	Machinery, equipment and vehicles	Mining assets	Other	Construc- tion in progress	Total
Net book value at January 1, 2022 (audited)	4,497,010	1,969,154	1,149,430	1,209,907	3,503,068	174,789	194,451	1,566,249	14,264,058
Foreign currency translation	399,122	33,782	12,381	312	39,876	–	9,921	14,670	510,064
Changes in estimates	(90,788)	(49,487)	(3,089)	–	(586)	(13)	1	–	(143,962)
Additions	67,785	1,140	21,032	284	62,768	31,620	2,427	703,873	890,929
Additions through lease agreements	1,799	34	7,751	–	39,443	–	5,048	–	54,075
Capitalized repair works on right-of-use assets	–	–	–	–	1,817	–	–	–	1,817
Lease modifications	–	88	(12)	–	1,028	–	4,308	–	5,412
Disposals	(12,689)	(34,067)	(17,346)	(74)	(26,564)	(4,115)	(3,016)	(1,923)	(99,794)
Depreciation charge	(193,024)	(105,386)	(51,335)	(29,489)	(282,143)	(27,490)	(16,964)	–	(705,831)
Depreciation and impairment on disposals	11,095	33,868	13,707	67	25,024	–	2,625	191	86,577
Impairment, net of reversal of impairment (Note 29)	–	(20)	239	(101)	72	–	(690)	(2,204)	(2,704)
Use of provision under an onerous contract	–	–	–	–	–	–	–	(1,125)	(1,125)
Transfer from/(to) assets classified as held for sale	–	–	422	–	(90)	–	68	–	400
Transfers from/(to) intangible assets (Note 9)	(665)	–	–	–	90	–	–	(1,699)	(2,274)
Transfers from/(to) exploration and evaluation assets/investment property	2,979	–	(425)	–	–	–	–	–	2,554
Transfer from/(to) inventories	26	(43)	13	(282)	(614)	10,113	45	2,027	11,285
Other transfers and reclassifications	104,128	28,599	13,768	31,261	218,440	33	3,487	(399,716)	–
Net book value at September 30, 2022 (unaudited)	4,786,778	1,877,662	1,146,536	1,211,885	3,581,629	184,937	201,711	1,880,343	14,871,481
Historical cost	7,138,236	3,878,219	1,872,957	1,547,166	6,645,235	423,604	420,599	1,980,210	23,906,226
Accumulated depreciation and impairment	(2,351,458)	(2,000,557)	(726,421)	(335,281)	(3,063,606)	(238,667)	(218,888)	(99,867)	(9,034,745)
Net book value at September 30, 2022 (unaudited)	4,786,778	1,877,662	1,146,536	1,211,885	3,581,629	184,937	201,711	1,880,343	14,871,481

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

8. PROPERTY, PLANT AND EQUIPMENT (continued)

<i>In millions of tenge</i>	Oil and gas assets	Pipelines and refinery assets	Buildings and premises	Railway tracks and infra- structure	Machinery, equipment and vehicles	Mining assets	Other	Construc- tion in progress	Total
Including right-of-use assets under lease agreements									
Net book value at January 1, 2022 (audited)	27,595	6,175	62,105	–	393,227	–	26,543	–	515,645
Foreign currency translation	3,159	592	1,842	–	29,933	–	1,895	–	37,421
Changes in estimates	–	–	1	–	–	–	1	–	2
Additions through lease agreements	1,799	34	7,751	–	39,443	–	5,048	–	54,075
Capitalized repair works on right-of-use assets	–	–	–	–	1,817	–	–	–	1,817
Lease modifications	–	88	(12)	–	1,028	–	4,308	–	5,412
Disposals	–	(31,864)	(11,690)	–	(4,391)	–	(284)	–	(48,229)
Depreciation charge	(4,390)	(279)	(9,693)	–	(61,420)	–	(4,063)	–	(79,845)
Depreciation and impairment on disposals	–	31,864	8,212	–	4,375	–	237	–	44,688
Impairment, net of reversal of impairment	–	–	–	–	–	–	(834)	–	(834)
Net book value at September 30, 2022 (unaudited)	28,163	6,610	58,516	–	404,012	–	32,851	–	530,152
Historical cost of right-of-use assets under lease agreements	44,709	8,102	109,285	–	722,919	–	48,159	–	933,174
Accumulated depreciation and impairment of right-of-use assets under lease agreements	(16,546)	(1,492)	(50,769)	–	(318,907)	–	(15,308)	–	(403,022)
Net book value at September 30, 2022 (unaudited)	28,163	6,610	58,516	–	404,012	–	32,851	–	530,152

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

8. PROPERTY, PLANT AND EQUIPMENT (continued)

As at September 30, 2022 property, plant and equipment with net book value of 853,281 million tenge was pledged as collateral for some of the Group’s borrowings (December 31, 2021: 898,485 million tenge).

As at September 30, 2022 the cost of fully amortised property, plant and equipment of the Group was equal to 1,322,361 million tenge (December 31, 2021: 1,228,077 million tenge).

For the nine months ended September 30, 2022 the Group capitalized borrowing costs at an average interest rate of 6.99% in the amount of 54,004 million tenge (*Note 19*) (for the nine months ended September 30, 2021: at an average interest rate of 4.6% in the amount of 33,167 million tenge).

9. INTANGIBLE ASSETS

Movements in intangible assets are presented as follows:

<i>In millions of tenge</i>	Licenses	Subsur- face use rights	Goodwill	Marketing related intangible assets	Software	Other	Total
Net book value at January 1, 2021 (audited)	711,045	832,147	315,981	24,825	63,930	74,096	2,022,024
Foreign currency translation	5,854	2,386	125	282	49	402	9,098
Additions	1,471	2,782	-	-	12,614	804	17,671
Disposals	(86)	-	-	-	(953)	(1,902)	(2,941)
Amortization charge	(34,793)	(27,535)	-	-	(14,807)	(3,942)	(81,077)
Accumulated amortization on disposals	80	-	-	-	872	1,900	2,852
Transfer to assets classified as held for sale	-	-	-	-	(52)	-	(52)
Transfers from/(to) property, plant and equipment (<i>Note 8</i>)	276	(989)	-	-	2,450	121	1,858
Transfer from other non- current assets	2,158	-	-	-	64	-	2,222
Other transfers and reclassifications	608	-	-	-	4,894	(5,502)	-
Net book value at September 30, 2021 (unaudited)	686,613	808,791	316,106	25,107	69,061	65,977	1,971,655
Historical cost	880,953	938,402	433,014	64,447	208,128	142,829	2,667,773
Accumulated amortization and impairment	(194,340)	(129,611)	(116,908)	(39,340)	(139,067)	(76,852)	(696,118)
Net book value at September 30, 2021 (unaudited)	686,613	808,791	316,106	25,107	69,061	65,977	1,971,655

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

9. INTANGIBLE ASSETS (continued)

<i>In millions of tenge</i>	Licenses	Subsur- face use rights	Goodwill	Marketing related intangible assets	Software	Other	Total
Net book value at January 1, 2022 (audited)	692,157	815,857	316,265	25,467	74,465	79,821	2,004,032
Foreign currency translation	52,338	20,837	1,175	2,649	562	1,946	79,507
Additions	4,929	1,039	-	-	5,548	6,682	18,198
Disposals	(1,516)	-	-	-	(1,705)	(220)	(3,441)
Amortization charge	(30,587)	(25,815)	-	-	(17,345)	(6,581)	(80,328)
Accumulated amortization on disposals	1,487	-	-	-	1,742	41	3,270
Impairment, net of reversal of impairment (<i>Note 28</i>)	2	-	-	-	-	(465)	(463)
Transfers from/(to) property, plant and equipment (<i>Note 7</i>)	2	665	-	-	2,092	(485)	2,274
Transfer from other non-current assets	23	-	-	-	40	-	63
Other transfers and reclassifications	729	-	-	-	2,691	(3,420)	-
Net book value at September 30, 2022 (unaudited)	719,564	812,583	317,440	28,116	68,090	77,319	2,023,112
Historical cost	965,728	985,187	432,645	72,170	235,157	169,279	2,860,166
Accumulated amortization and impairment	(246,164)	(172,604)	(115,205)	(44,054)	(167,067)	(91,960)	(837,054)
Net book value at September 30, 2022 (unaudited)	719,564	812,583	317,440	28,116	68,090	77,319	2,023,112

10. EXPLORATION AND EVALUATION ASSETS

Movements in exploration and evaluation assets are presented as follows:

<i>In millions of tenge</i>	Tangible	Intangible	Total
Net book value at January 1, 2021 (audited)	339,742	27,651	367,393
Foreign currency translation	2,118	-	2,118
Additions	10,502	695	11,197
Disposals	-	(4,970)	(4,970)
Depreciation and impairment on disposals	-	4,970	4,970
Impairment/write-off, net of reversal of impairment (<i>Note 28</i>)	(79,083)	-	(79,083)
Transfers to property, plant and equipment	(145)	-	(145)
Transfer to inventories	(2,612)	-	(2,612)
Net book value at September 30, 2021 (unaudited)	270,522	28,346	298,868
Historical cost	293,960	31,551	325,511
Accumulated impairment	(23,438)	(3,205)	(26,643)
Net book value at September 30, 2021 (unaudited)	270,522	28,346	298,868

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

10. EXPLORATION AND EVALUATION ASSETS (continued)

<i>In millions of tenge</i>	Tangible	Intangible	Total
Net book value at January 1, 2022 (audited)	262,773	16,176	278,949
Foreign currency translation	19,933	-	19,933
Additions	8,842	313	9,155
Disposals	(120)	(173)	(293)
Depreciation and impairment on disposals	120	173	293
Transfers to property, plant and equipment	(2,979)	-	(2,979)
Net book value at September 30, 2022 (unaudited)	288,569	16,489	305,058
Historical cost	303,842	19,694	323,536
Accumulated impairment	(15,273)	(3,205)	(18,478)
Net book value at September 30, 2022 (unaudited)	288,569	16,489	305,058

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

11. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Investments in joint ventures and associates comprised the following:

<i>In millions of tenge</i>	Main activity	Place of business	September 30, 2022		December 31, 2021	
			Carrying amount	Percentage ownership	Carrying amount	Percentage ownership
Joint ventures						
Tengizchevroil LLP	Oil and gas exploration and production	Kazakhstan	3,976,902	20.00%	3,105,942	20.00%
Asia Gas Pipeline LLP	Construction and operation of the gas pipeline	Kazakhstan	660,432	50.00%	504,807	50.00%
Beineu-Shymkent Pipeline LLP	Construction and operation of the gas pipeline	Kazakhstan	221,647	50.00%	200,338	50.00%
Mangistau Investments B.V.	Oil and gas development and production	Kazakhstan	172,273	50.00%	207,410	50.00%
Forum Muider B.V.	Production of coal	Kazakhstan	66,059	50.00%	53,747	50.00%
KazRosGas LLP	Processing and sale of natural gas and refined gas products	Kazakhstan	63,261	50.00%	54,317	50.00%
Ural Group Limited BVI	Oil and gas exploration and production	Kazakhstan	43,282	50.00%	41,453	50.00%
Kazakhstan-China Pipeline LLP	Oil transportation	Kazakhstan	33,285	50.00%	25,355	50.00%
JV Kazgermunai LLP	Oil and gas exploration and production	Kazakhstan	31,813	50.00%	32,289	50.00%
AstanaGas KMG JSC	Construction of the main gas pipelines	Kazakhstan	27,826	50.00%	27,698	50.00%
Other			149,815		122,236	
Total joint ventures			5,446,595		4,375,592	
Associates						
Caspian Pipeline Consortium JSC	Transportation of liquid hydrocarbons	Kazakhstan/Russia	533,464	20.75%	473,880	20.75%
Kazzinc LLP	Mining and processing of metal ores, production of refined metals	Kazakhstan	522,103	29.82%	548,879	29.82%
JV KATCO LLP	Extraction, processing and export of uranium	Kazakhstan	103,728	49.00%	85,123	49.00%
PetroKazakhstan Inc. (“PKI”)	Exploration, production and processing of oil and gas	Kazakhstan	95,425	33.00%	84,905	33.00%
Other			120,214		112,855	
Total associates			1,374,934		1,305,642	
			6,821,529		5,681,234	

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

11. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (continued)

Summarizes the movements in equity investments in joint ventures and associates for the nine months ended September 30:

<i>In millions of tenge</i>	2022	2021
Balance as at January 1 (audited)	5,681,234	4,985,676
Share in profit of joint ventures and associates, net (Note 32)	1,151,326	782,938
Additional contributions without change in ownership	125	1,925
Other comprehensive income, other than foreign currency translation	2,573	480
Discount on loans issued	3,404	3,353
Dividends received	(479,513)	(248,090)
Change in dividends receivable	(7,999)	(28,276)
Impairment (Note 29)	(161)	(3,716)
Disposals	-	(89)
Acquisitions	11,135	1,398
Adjustment of unrealized income*	(2,685)	-
Foreign currency translation	462,272	41,891
Other changes and other changes in the equity of the joint venture	(182)	230
Balance as at September 30 (unaudited)	6,821,529	5,537,720

* Adjustment of unrealized income present unrealized income from sale of inventory from joint ventures to Group and capitalized borrowings costs on the loans provided by the Group to joint ventures.

12. AMOUNTS DUE FROM CREDIT INSTITUTIONS

Amounts due from credit institutions comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Bank deposits	979,986	694,517
Loans to credit institutions	66,806	83,585
Less: allowance for expected credit losses	(942)	(1,440)
Amounts due from credit institutions, net	1,045,850	776,662
Less: current portion	(757,793)	(671,859)
Non-current portion	288,057	104,803

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	Weighted average interest rate	December 31, 2021 (audited)	Weighted average interest rate
Amounts due from credit institutions, denominated in US dollars	747,793	2.68%	646,484	0.35%
Amounts due from credit institutions, denominated in tenge	298,057	6.27%	130,177	5.66%
Amounts due from credit institutions, denominated in other currencies	-	-	1	4%
	1,045,850		776,662	

As at September 30, 2022 amounts due from credit institutions included funds of 4,171 million tenge pledged as collateral for certain Group’s borrowings (December 31, 2021: 4,895 million tenge).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

13. OTHER FINANCIAL ASSETS

Other financial assets comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Financial assets at fair value through other comprehensive income, including:	35,997	21,935
Bonds of Kazakhstani financial institutions	26,995	11,662
Treasury bills of the Ministry of Finance of the Republic of Kazakhstan	7,423	8,615
Treasury notes of foreign governments	811	904
Corporate bonds	694	694
Equity securities	74	60
Financial assets at amortized cost, including:	896,605	1,016,884
Bonds of Kazakhstani financial institutions	382,142	343,307
Corporate bonds	113,888	114,685
Notes of the National Bank of the Republic of Kazakhstan	61,594	96,393
Treasury bills of the Ministry of Finance of the Republic of Kazakhstan	7,655	–
Eurobonds of the Ministry of Finance of the Republic of Kazakhstan	2,070	1,869
Other financial assets at amortized cost, including:		
<i>Restricted cash</i>	222,031	183,044
<i>Other accounts receivable</i>	210,238	122,136
<i>Dividends receivable</i>	16,887	6,685
<i>Amounts due from employees</i>	9,913	10,447
<i>Reservation of cash for repayment of borrowings (Note 18)</i>	–	259,459
<i>Other</i>	12,314	11,507
Less: allowance for expected credit losses	(142,127)	(132,648)
Financial assets at fair value through profit or loss, including:	143,894	135,908
Equity securities	123,482	106,197
Guaranteed returns from a shareholder of a joint venture	13,274	11,750
Corporate bonds	3,139	2,993
Options	2,652	3,188
Bonds of Kazakhstani financial institutions	860	815
Forward and futures contracts	487	10,965
Total financial assets	1,076,496	1,174,727
Less: current portion	(331,401)	(506,895)
Non-current portion	745,095	667,832

Other financial assets by currency, except for derivatives, comprised:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Financial assets, denominated in tenge	802,403	742,117
Financial assets, denominated in US dollars	228,793	387,042
Financial assets, denominated in euro	23,792	24,804
Financial assets, denominated in rubles	6,165	12
Financial assets, denominated in other currency	12,204	6,599
	1,073,357	1,160,574

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

13. OTHER FINANCIAL ASSETS (continued)

Restricted cash includes payments in the amount of 15,411 million tenge, taking into account forex gain as of September 30, 2022, made on March 31, 2022, to a supplier for uranium enrichment services, whose bank account was subsequently included in the list of legal entities that fell under U.S. Department of the Treasury Office of Foreign Assets Control (OFAC) sanctions. OFAC has since issued licences which permit transactions related to energy, including uranium in any form, which apply to the supplier's bank involved in this transaction. The intermediary bank has erroneously blocked the funds which have yet to be returned to the Group. The Group expects the return of these funds in full before the end of the current year.

On November 22, 2021, National Atomic Company “Kazatomprom” (hereinafter – “NAC KAP”), a subsidiary of the Group, signed a Framework Agreement with Genchi Global Limited to participate in ANU Energy OEIC Ltd (hereinafter – “ANU Energy”), created on the Astana International Financial Center, and made an investment of 24.25 million dollars to ANU Energy in March 2022. The purpose of ANU Energy is to store physical uranium as a long-term investment. The Group does not have a representative on the Board of Directors of ANU Energy and does not take part in decision-making on key strategic issues of ANU Energy. Accordingly, the Group does not have significant influence on the management operations of ANU Energy, and therefore the Group recognizes this investment at fair value through profit or loss.

14. OTHER NON-CURRENT ASSETS

Other non-current assets comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Advances paid for non-current assets	344,421	361,269
Long-term VAT receivable	261,339	180,022
Long-term inventories	51,879	54,655
Prepaid expenses	21,124	19,300
Other	26,191	21,598
Less: impairment allowance	(59,155)	(58,654)
	645,799	578,190

15. INVENTORIES

Inventories comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Uranium products (<i>at lower of cost and net realizable value</i>)	216,300	221,613
Oil refined products for sale (<i>at lower of cost and net realizable value</i>)	90,800	89,725
Production materials and supplies (<i>at lower of cost and net realizable value</i>)	78,354	65,354
Work in progress (<i>at lower of cost and net realizable value</i>)	64,564	57,477
Gas processed products (<i>at cost</i>)	57,573	34,538
Crude oil (<i>at cost</i>)	52,143	62,326
Goods for resale (<i>at lower of cost and net realizable value</i>)	51,782	34,193
Oil and gas industry materials and supplies (<i>at cost</i>)	48,836	34,437
Uranium industry materials and supplies (<i>at lower of cost and net realizable value</i>)	43,310	3,828
Fuel (<i>at lower of cost and net realizable value</i>)	30,283	24,089
Railway industry materials and supplies (<i>at cost</i>)	18,741	17,300
Aircraft spare parts (<i>at cost</i>)	16,082	14,744
Electric transmission equipment spare parts (<i>at cost</i>)	5,578	5,499
Telecommunication equipment spare parts (<i>at cost</i>)	2,902	2,069
Other materials and supplies (<i>at lower of cost and net realizable value</i>)	80,469	61,705
	857,717	728,897

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

16. TRADE ACCOUNTS RECEIVABLE AND OTHER CURRENT ASSETS

Trade accounts receivable comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Trade accounts receivable	1,385,039	1,074,650
Less: allowance for expected credit losses	(61,085)	(49,758)
	1,323,954	1,024,892

Other current assets comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Advances paid and deferred expenses	176,139	114,163
Other prepaid taxes	95,246	86,740
Other non-financial current assets	20,219	21,930
Less: impairment allowance	(12,224)	(12,847)
	279,380	209,986

As at September 30, 2022 the Group’s receivables of 157,835 million tenge were pledged under certain Group borrowings (as at December 31, 2021: 131,120 million tenge).

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Bank deposits – US dollars	1,069,928	999,449
Bank deposits – tenge	691,405	661,752
Bank deposits – other currency	45,498	32,941
Current accounts with banks – US dollars	1,453,474	690,971
Current accounts with banks – tenge	189,991	221,834
Current accounts with banks – other currency	33,233	34,709
Reverse repurchase agreements (reverse repo) and other treasury securities with contractual maturity of three months or less	360,929	141,035
Cash in transit	21,531	2,290
Cash on hand	9,118	7,403
Balances on brokerage accounts payable on demand	296	19,193
Less: allowance for expected credit losses	(648)	(847)
	3,874,754	2,810,730

Within the framework of diversification, the Group continues to place part of its free liquidity in money market instruments, such as auto repo secured by government securities (government securities) and other treasury securities with maturities of up to 3 months.

Short-term bank deposits are placed for varying periods of between 1 (one) day and 3 (three) months, depending on immediate cash needs of the Group. As at September 30, 2022 the weighted average interest rates for short-term bank deposits were 12.47% in tenge, 2.05 % in US dollars, 0.06 % in other currency; and current accounts were 1.39 % in tenge, 0.36 % in USD dollars, 0.62 % in other currency, respectively (December 31, 2021: the weighted average interest rates for short-term bank deposits were 8.34% in tenge, 0.26% in US dollars, 5.07% in other currency; and current accounts were 0.7% in tenge, 0.26% in USD dollars, 0.46% in other currency, respectively).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

18. EQUITY

18.1 Issue of shares

On June 28, 2022, the Shareholder contributed property to the Fund’s share capital in form of the movable property with a fair value of 239 million tenge. This property was transferred to the share capital of subsidiary National Company “Kazakhstan Temir Zholy” JSC (hereinafter – “NC KTZh”).

18.2 Dividends

Dividends attributable to equity holder of the Parent

In 2022 the Fund declared dividends to the Shareholder of 170,024 million tenge based on financial results for 2021 according to the Resolution of the Government dated September 22, 2022. In October 2022 the Fund made payment of 170,024 million tenge to the Shareholder.

Dividends attributable to non-controlling interests

During the nine months ended September 30, 2022, the Group declared dividends of 160,461 million tenge to the holders of non-controlling interests in National Company “KazMunayGas” JSC (hereinafter – “NC KMG”) group, NAC KAP and Kazakhstan Electricity Grid Operating Company JSC (hereinafter – “KEGOC”). Total amount of dividends paid to the holders of non-controlling interests during the nine months ended September 30, 2022 equaled 159,194 million tenge.

18.3 Other distributions to the Shareholder

Social projects financing

During the nine months ended September 30, 2022 in accordance with the Shareholder’s resolutions, the Fund recognised liabilities for financing of various social projects for the amount 24,000 million tenge as other distributions to the Shareholder in the interim condensed consolidated statement of changes in equity. As at September 30, 2022, the Group made repayment of liabilities for financing of social projects in the amount of 25,800 million tenge.

Financing construction of social facilities

During the nine months ended September 30, 2022, in accordance with the Shareholder’s resolutions, the Fund recognized liabilities for financing of the construction of National coordination center for emergency medicine in Astana city with 200 beds and National Scientific Center of infectious diseases in Almaty city with 350 beds in the amount of 166,907 million tenge. As of September 30, 2022, the Group made repayment of liabilities in the amount of 58,073 million tenge.

Also, during the nine months ended September 30, 2022, in accordance with the Shareholder’s resolutions on the construction of a medical center in Zhana-ozen town and housing for the residents, living in Zhana-ozen town, the Group accrued liabilities for 10,003 million tenge and recognized as other distributions to the Shareholder in the interim condensed consolidated statement of changes in equity, of which 2,162 million tenge was paid during the nine months ended September 30, 2022.

18.4 Currency translation reserve

The currency translation reserve is used to record exchange differences arising from the translation of financial statements of the subsidiaries, whose functional currency is not tenge and whose financial statements are included in the consolidated financial statements. During the nine months ended September 30, 2022 foreign translation difference amounted to 1,077,090 million tenge.

Certain borrowings of the Group denominated in US dollars were designated as hedge instrument for the net investment in the foreign operations. Unrealized foreign currency loss for the nine months ended September 30, 2022 of 317,304 million tenge resulting from translation of these borrowings were transferred to currency translation reserve recognized in other comprehensive income.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

18. EQUITY (continued)

18.5 Hedge reserve

NC KTZh

On August 7, 2015, the Group hedged cash flows to reduce the risk of changes in tenge equivalent revenue denominated in Swiss Francs. The principal from Eurobonds issued on June 20, 2014 on the Swiss stock exchange and maturing on June 20, 2022 is used as hedging instrument, which is separately identifiable and reliably estimated. A highly probable revenue stream forecast relating to transit transportation in Swiss Francs, in particular, first sales received in the period from January 1 to June 20, 2022, is the hedged item in this hedging relationship.

As at September 30, 2022, hedge accounting was discontinued due to the receipt of revenue from freight transportation in international (transit) route, which is the hedge item, accordingly, the cumulative deferred loss attributable to this hedging instrument was reclassified from other comprehensive loss to revenue from freight transportation in the amount of 54,442 million tenge.

During the nine months ended September 30, 2022, the effective portion of 2,445 million tenge was allocated to the hedging reserve in other comprehensive income in the form of a net loss on the hedging instrument (during the nine months ended September 30, 2021: 4,109 million tenge in the form of net profit).

Air Astana JSC

In 2015 Air Astana entered into a cash flow hedge with finance lease obligations denominated in US dollars, to reduce the risk of changes in sales revenue expressed in US dollars. In connection with the transition of the functional currency to US dollar, this hedge ceased to be economically effective from December 31, 2017.

As a result of the change, the hedge relationship has been discontinued so that starting from January 1, 2018 no further foreign currency translation gains or losses are transferred from profit or loss to hedge reserve, and the hedge reserve recognized in equity as at September 30, 2022 shall remain in equity until the forecasted revenue cash flows are received.

During the nine months ended September 30, 2022 amount reclassified from the hedging reserve to foreign exchange loss from inception of the hedge was 4,292 million tenge before tax of 859 million tenge (during the nine months ended September 30, 2021: 2,986 million tenge). Hedge income attributable to non-controlling interests comprised 2,103 million tenge (during the nine months ended September 30, 2021: 1,463 million tenge).

NC KMG

The Group buys crude oil from the market, refines it and later sells the finished products (e.g.: gasoline, diesel, jet fuel etc.). Throughout a given period, the volatility associated with the oil market, both in crudes and in finished products, is transmitted to the Group's refinery margin (difference between the purchase price of crude oil and the selling price of finished products). To reduce this volatility, the Group hedges the margin with a swap on a hedged basket as relevant for the period.

During the nine months ended September 30, 2022, the effective part of 33,548 million tenge was recorded in the cash flow hedging reserve through other comprehensive income as net fair value loss on cash flow hedging instruments (during the nine months ended September 30, 2021: 953 million tenge as net fair value loss on cash flow hedging instruments).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

18. EQUITY (continued)

18.6 Book value per share (continued)

In accordance with the decision of the Exchange Board of KASE dated October 4, 2010 financial statements shall disclose book value per share (common and preferred) as of the reporting date, calculated in accordance with the KASE rules.

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Total assets	33,897,736	30,309,758
Less: intangible assets	(2,023,112)	(2,004,032)
Less: total liabilities	(14,516,060)	(13,136,666)
Net assets for common shares	17,358,564	15,169,060
Number of common shares	3,481,961,409	3,481,961,408
Book value per common share, tenge*	4,985	4,356

* Presentation of Book value per common share is a non-IFRS measure required by KASE.

Earnings per share

<i>In tenge</i>	For the nine months ended September 30, 2022 (unaudited)	For the nine months ended September 30, 2021 (unaudited)
Weighted average number of common shares for basic and diluted earnings per share	3,481,961,409	3,481,960,044
Basic and diluted share in net profit for the period per share	570.54	397.84

19. BORROWINGS

Borrowings, including interest payable, comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	Weighted average interest rate	December 31, 2021 (audited)	Weighted average interest rate
Fixed interest rate borrowings	7,047,508		6,599,170	
Loans received	1,996,332	9.59%	1,804,252	13.41%
Debt securities issued	5,051,176	8.41%	4,794,918	8.56%
Floating interest rate borrowings	1,049,720		1,263,522	
Loans received	824,793	12.09%	1,159,936	10.79%
Debt securities issued	224,927	14.24%	103,586	9.79%
	8,097,228		7,862,692	
Less: amounts due for settlement within 12 months	(654,507)		(954,209)	
Amounts due for settlement after 12 months	7,442,721		6,908,483	

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
US dollar-denominated borrowings	5,334,747	5,037,496
Tenge-denominated borrowings	1,997,826	1,896,980
Other currency-denominated borrowings	764,655	928,216
	8,097,228	7,862,692

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

19. BORROWINGS (continued)

The bonds comprised:

<i>In millions of tenge</i>	Issuance amount	Redemption date	Interest	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Bonds LSE 2018	1.5 billion USD	2048	6.375%	712,915	639,046
Bonds LSE 2018	1.25 billion USD	2030	5.375%	596,609	535,795
Bonds LSE 2017	1.25 billion USD	2047	5.75%	586,527	522,827
Bonds LSE 2017	1 billion USD	2027	4.75%	479,933	428,552
Bonds LSE 2014	1,100 million USD	2042	6.95%	441,515	396,207
Bonds LSE 2020	750 million USD	2033	3.50%	353,798	317,667
Bonds ISE 2017	750 million USD	2027	4.375%	335,056	307,808
Bonds KASE 2019	0.3 billion KZT	2034	11.50%	317,058	308,433
Bonds LSE 2018	500 million USD	2025	4.75%	242,397	216,760
Bonds LSE 2021	500 million USD	2026	2%	237,204	213,291
Bonds KASE 2022	119 billion tenge	2024	TONIA Compounded 6M + 3% margin	122,696	–
Bonds KASE 2020	129 billion tenge	2023	10.90%	102,744	100,041
Bonds KASE 2019	70 billion KZT	2024	4%	86,100	77,700
Bonds SIX Swiss Exchange 2018	170 million Swiss Francs	2023	3.25%	84,537	79,713
Bonds KASE 2019	80 billion KZT	2026	11.86%	82,539	80,226
Bonds KASE 2018	75 billion KZT	2024	9.25%	75,096	76,831
Bonds KASE 2016	50 billion KZT	2026	Inflation rate + 2.52%	52,372	53,376
Bonds SIX Swiss Exchange 2014	185 million Swiss Francs	2022	3.64%	–	89,208
Bonds MOEX 2017	15 billion Russian roubles	2022	8.75%	–	86,832
Other	–	–	–	367,008	368,191
Total				5,276,104	4,898,504

Loans received

In January 2022, the Group made early fully repayment of the loan from The Export-Import Bank of China for 604 million US dollars (equivalent to 259,459 million tenge), including accrued interest. For the repayment was used the cash reserved in November 2021.

State subsidy of the interest rate

In May 2020, the Group entered into a contract with the Transport Committee of the Ministry of Industry and Infrastructure Development of the Republic of Kazakhstan to subsidise part of the coupon rate in the amount of 307,194 million tenge, on bonds issued in 2019 at the coupon rate of 11.5% per annum and used for early repayment of Eurobonds issued in 2017 in the amount of 780 million US dollars, which in turn were attracted and utilised for infrastructure modernization, updating locomotives and freight cars. The Agreement stipulates that the amount of subsidy should be provided for under the Republican budget program «Subsidising the coupon rate on the carrier's Bonds issued for the development of the main railway network and rolling stock of railway transport» (hereinafter – the «Program»). Since the budget Program is available to all transportation companies that have the status of a “carrier” in accordance with the Law on Railway Transport, the Group’s management accounts for the financing under this Program as a government grant recognised within finance income.

For the nine months ended September 30, 2022, the Group recognised income from government subsidies under the Program in the amount of 21,887 million tenge as part of financial income. In addition, the Group recognized deferred income in the amount of 7,296 million tenge as part of other current liabilities as at September 30, 2022.

Covenants

Under the terms of some loan agreements, respective subsidiaries of the Group are obliged to comply with certain covenants. The Group reviews compliance with all the Group loan covenants at each reporting date.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

19. BORROWINGS (continued)

Covenants (continued)

Compliance with covenants under the individual loan agreements of the Group is disclosed in the consolidated financial statements for the year ended December 31, 2021.

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

Changes in borrowings for the nine months ended September 30:

<i>In millions of tenge</i>	2022	2021
Balance as at January 1 (audited)	7,862,692	7,459,200
Received by cash	698,999	629,136
Purchase of property plant and equipment financed by borrowings	5,706	14,472
Interest accrued	382,353	330,173
Discount	(345)	(7,987)
Amortization of discount	13,000	11,444
Interest capitalized (<i>Note 8</i>)	54,004	33,167
Interest paid	(360,095)	(332,106)
Repayment of principal	(960,512)	(573,445)
Foreign currency translation	659,676	57,620
Commission for the early redemption of the loan (<i>Note 30</i>)	4,498	–
Repayment of principal and interest by reserved cash	(259,459)	(32,799)
Other	(3,289)	(519)
Balance as at September 30 (unaudited)	8,097,228	7,588,356

* *Cash proceeds and repayments of certain borrowings obtained by the Fund’s Corporate Center are included within cash flows from operating activities because these borrowings are part of the Fund’s main activity of assets management.*

The carrying amount of borrowings by the Group subsidiaries is presented below:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
NC KMG and its subsidiaries	3,873,038	3,700,776
NC KTZh and its subsidiaries	1,412,222	1,448,443
Kazakhstan Petrochemical Industries Inc. JSC	956,201	–
The Fund	559,104	578,552
National Company “QazaqGaz” JSC and its subsidiaries	530,592	484,709
Kazakhtelecom JSC and its subsidiaries	213,401	237,916
Samruk-Energy JSC and its subsidiaries	184,454	223,755
KEGOC	138,222	171,199
EGRES-2	97,781	99,678
NAC KAP and its subsidiaries	93,151	89,017
Air Astana JSC	6,703	26,895
Samruk-Kazyna Ondeu LLP and its subsidiaries	1,673	764,879
Other subsidiaries of the Fund	30,686	36,873
Total borrowings	8,097,228	7,862,692

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

20. LOANS FROM THE GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN

Loans from the Government of the Republic of Kazakhstan are denominated in tenge and comprised the following:

<i>In millions of tenge</i>	Redemption date	Nominal /effective interest rate	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Bonds acquired by the National Bank of the Republic of Kazakhstan using the assets of the National Fund	2035-2063	0.01-3%/ 5.56-8.24%	582,486	558,982
Loans from the Government of the Republic of Kazakhstan	2022-2046	0.15-0.4%/ 5.15-9.6%	11,659	20,387
			594,145	579,369
Less: amounts due for settlement within 12 months			(8,551)	(10,264)
Amounts due for settlement after 12 months			585,594	569,105

21. LEASE LIABILITIES

Future minimum lease payments under leases together with the present value of the net minimum lease payments comprised the following:

<i>In millions of tenge</i>	Minimum lease payments		Present value of minimum lease payments	
	September 30, 2022 (unaudited)	December 31, 2021 (audited)	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Within one year	149,132	153,253	128,948	129,676
Two to five years inclusive	355,940	352,881	281,022	275,509
After five years	174,708	178,637	98,914	104,476
	679,780	684,771	508,884	509,661
Less: amounts representing finance costs	(170,896)	(175,110)	-	-
Present value of minimum lease payments	508,884	509,661	508,884	509,661
Less: amounts due for settlement within 12 months			(128,948)	(129,676)
Amounts due for settlement after 12 months			379,936	379,985

As at September 30, 2022 interest calculation was based on effective interest rates ranging from 3.53% to 15.96% (December 31, 2021: from 4.01% to 15.62%).

Changes in lease liabilities for the nine months ended September 30:

<i>In millions of tenge</i>	2022	2021
Balance as at January 1 (audited)	509,661	515,319
Additions of leases	49,940	94,222
Foreign currency translation	36,025	3,638
Interest accrued (Note 30)	26,350	28,994
Interest paid	(21,732)	(22,236)
Repayment of principal	(94,087)	(90,129)
Lease agreement termination	(3,667)	(1,368)
Other	6,394	(5,106)
Balance as at September 30 (unaudited)	508,884	523,334

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

22. PROVISIONS

Provisions comprised the following:

<i>In millions of tenge</i>	Asset retirement obligations	Provision for environ- mental remediation	Provision for taxes	Provision for con- struction of social objects	Other	Total
Provision at January 1, 2021 (audited)	306,100	68,679	10,435	3,872	78,815	467,901
Foreign currency translation	1,218	450	-	-	856	2,524
Transfer to liabilities associated with assets classified as held for sale or distribution to the Shareholder	272	-	-	-	-	272
Change in estimate	(12,598)	(1,553)	-	-	(46)	(14,197)
Unwinding of discount	13,256	1,457	-	-	122	14,835
Provision for the year	697	4,943	1,774	-	22,266	29,680
Use of provision	(257)	(5,219)	(1,567)	-	(11,020)	(18,063)
Reversal of unused amounts	(1,268)	-	(13)	-	(624)	(1,905)
Provision at September 30, 2021 (unaudited)	307,420	68,757	10,629	3,872	90,369	481,047
Provision at January 1, 2022 (audited)	346,420	68,194	17,727	3,003	107,398	542,742
Foreign currency translation	10,796	4,719	332	-	10,822	26,669
Change in estimate	(145,613)	6,171	(5,114)	-	2,027	(142,529)
Unwinding of discount	15,706	1,233	-	-	158	17,097
Provision for the year	28,914	7	1,566	-	64,387	94,874
Use of provision	(78)	(3,660)	469	-	(12,740)	(16,009)
Reversal of unused amounts	(3,369)	(392)	(1,650)	-	(863)	(6,274)
Provision at September 30, 2022 (unaudited)	252,776	76,272	13,330	3,003	171,189	516,570

Current portion and non-current portion of provisions are presented as follows:

<i>In millions of tenge</i>	Asset retirement obligations	Provision for environ- mental remediation	Provision for taxes	Provision for con- struction of social objects	Other	Total
Current portion	4,844	7,683	17,727	3,003	67,091	100,348
Non-current portion	341,576	60,511	-	-	40,307	442,394
Provision at December 31, 2021 (audited)	346,420	68,194	17,727	3,003	107,398	542,742
Current portion	4,588	7,209	13,330	3,003	116,179	144,309
Non-current portion	248,188	69,063	-	-	55,010	372,261
Provision at September 30, 2022 (unaudited)	252,776	76,272	13,330	3,003	171,189	516,570

Other provisions as at September 30, 2022 included provisions for aircraft maintenance for the amount of 76,842 million tenge (December 31, 2021: 54,910 million tenge), gas transportation provision of 34,379 million tenge (December 31, 2021: 31,562 million tenge), a provision based on the results of an audit of the activities of the Pavlodar Refinery in the amount of 28,187 million tenge (*Note 37*), as well as a compensation payment provision to the state recognized by JV Akbastau JSC in the amount of 7,356 million tenge.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

23. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Other financial liabilities		
Obligations under guarantee agreements	34,008	36,527
Accounts payable	12,066	11,139
Historical costs associated with obtaining subsoil use rights	9,912	10,891
Other	13,117	16,016
Other non-financial liabilities		
Contract liabilities to customers	51,086	52,404
Advances received and deferred income	28,979	27,872
Government grant liability	21,749	14,596
Liabilities under inventory loan agreements	–	13,461
Other	3,271	4,937
	174,188	187,843

As of September 30, 2022, the Group reclassified inventory loans from long-term to short-term, as the repayment period is up to September 30, 2023.

24. TRADE AND OTHER PAYABLES, AND OTHER CURRENT LIABILITIES

Trade and other payables comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Trade accounts payable	1,160,087	937,027
Accounts payable for the supply of property, plant and equipment	169,993	164,985
Other accounts payable	33,464	16,043
	1,363,544	1,118,055

Trade accounts payable were expressed in the following currencies:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
US dollar-denominated trade accounts payable	581,410	394,706
Tenge-denominated trade accounts payable	476,124	441,996
Other currency-denominated trade accounts payable	102,553	100,325
	1,160,087	937,027

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

24. TRADE AND OTHER PAYABLES, AND OTHER CURRENT LIABILITIES (continued)

Other current liabilities comprised the following:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)	December 31, 2021 (audited)
Other financial liabilities		
Dividends payable	172,045	814
Obligations to the Shareholder on the financing of social projects	160,055	52,755
Due to employees	64,918	32,139
Amounts due to customers	45,554	39,980
Payable under repo transactions	26,321	11,464
Derivative financial instruments	17,047	2,127
Obligations under guarantee agreements	4,962	3,929
Historical costs associated with obtaining subsoil use rights	3,087	2,680
Other	26,742	25,800
Other non-financial liabilities		
Contract liabilities to customers	304,563	297,865
Other taxes payable	243,632	188,831
Vacation and other employee benefits allowance	93,489	105,774
Liabilities under inventory loan agreements	72,773	99
Amounts due under uranium swap contracts	71,542	15,355
Advances received and deferred income	35,774	14,523
Pension and social contributions liabilities	20,694	21,834
Joint operations liabilities	6,474	4,569
Government grant liability	5,313	4,246
Other	27,626	20,701
	1,402,611	845,485

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

25. REVENUE

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Revenue from contracts with customers:				
Sales of crude oil	964,431	1,011,301	3,775,540	2,648,014
Sales of oil refined products	1,149,221	641,426	2,887,298	1,898,395
Railway cargo transportation	353,138	296,158	936,853	872,287
Sales of uranium products	275,924	90,925	751,025	314,004
Sales of gas products	230,882	128,564	723,273	520,097
Sales of refined gold	208,897	203,996	694,110	516,745
Telecommunication services	171,656	147,998	469,096	426,272
Air transportation	166,669	102,548	357,829	239,373
Electricity complex	84,796	81,531	263,799	250,882
Oil and gas transportation fee	59,421	84,650	210,363	244,111
Oil processing fees	50,495	52,497	157,884	154,477
Electricity transmission services	43,643	76,294	131,916	222,137
Railway passenger transportation	30,651	18,707	66,799	42,728
Postal services	11,309	10,614	32,824	33,795
Other revenue	133,607	87,233	324,303	256,143
Less: quality bank for crude oil	(11,501)	(902)	(16,594)	(3,744)
Less: indirect taxes and commercial discounts	(183,718)	(155,965)	(459,846)	(463,209)
	3,739,521	2,877,575	11,306,472	8,172,507
Interest revenue	15,111	14,040	42,373	41,790
Rental income	10,443	7,108	26,585	19,131
	3,765,075	2,898,723	11,375,430	8,233,428

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Geographical markets				
Kazakhstan	1,428,907	1,203,990	3,994,988	3,422,044
Other countries	2,336,168	1,694,733	7,380,442	4,811,384
	3,765,075	2,898,723	11,375,430	8,233,428

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

26. COST OF SALES

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Materials and supplies	1,514,695	1,280,347	5,234,963	3,482,729
Personnel costs, including social tax and contributions	340,675	246,609	956,449	716,346
Depreciation, depletion and amortization	230,096	246,884	731,263	738,633
Fuel and energy	141,620	101,444	426,514	301,937
Production services received	96,244	69,868	231,842	173,157
Repair and maintenance	84,046	71,846	215,599	190,197
Mineral extraction tax	45,421	36,110	141,668	93,858
Taxes other than social taxes and withdrawals	50,357	30,982	127,551	83,287
Rent	25,900	8,705	84,214	28,264
Transportation expenses	27,121	26,774	65,776	59,205
Interest expense	19,800	17,891	49,096	47,292
Communication services	12,765	12,191	36,381	36,513
Security services	8,759	6,488	22,831	18,292
Other	134,730	59,966	294,372	165,012
	2,732,229	2,216,105	8,618,519	6,134,722

27. GENERAL AND ADMINISTRATIVE EXPENSES

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Personnel costs, including social tax and contributions	57,970	50,188	166,296	145,817
Depreciation and amortization	8,621	10,260	27,649	28,826
Taxes other than social taxes and withdrawals	5,961	6,071	20,133	20,261
Audit and consulting services	6,852	6,901	19,249	20,989
Other services by third parties	4,707	1,596	14,044	4,216
Repair and maintenance	2,257	1,757	5,634	4,848
Fines and penalties	1,224	682	4,155	1,577
Business trips	1,850	1,078	4,105	2,600
Rent	1,428	1,125	3,740	3,289
Utilities expenses and maintenance of buildings	1,010	968	2,967	2,532
Insurance	100	496	2,559	2,151
Communication services	964	694	2,486	2,124
Transportation services	689	629	2,054	1,784
Bank services	600	665	1,854	1,659
Professional education and advanced trainings	654	434	1,626	1,139
Other	13,833	14,821	45,632	49,401
	108,720	98,365	324,183	293,213

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

28. TRANSPORTATION AND SELLING EXPENSES

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Transportation	100,785	85,953	337,311	324,410
Rent tax	64,298	33,806	167,658	89,389
Custom duties	37,214	26,601	98,913	76,655
Personnel costs, including social tax and contributions	5,943	4,501	16,217	12,996
Depreciation and amortization	5,470	4,623	15,416	13,772
Commission fees to agents and advertising	6,082	3,844	12,748	10,758
Rent expenses	1,218	1,332	4,981	4,672
Other	9,315	7,862	24,393	22,005
	230,325	168,522	677,637	554,657

29. IMPAIRMENT LOSS

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Impairment of property, plant and equipment, exploration and evaluation assets and intangible assets (Notes 8, 9, 10)	2,148	63,309	3,167	83,320
(Reversal of impairment)/Impairment of investments in joint ventures and associates (Note 11)	(3,041)	994	161	3,716
Impairment/(reversal of impairment) of VAT receivable	26	(1,716)	81	(3,095)
Impairment/(reversal of impairment) of assets held for sale	–	(2)	27	3,786
Other	916	331	(1,504)	717
	49	62,916	1,932	88,444

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

30. FINANCE COSTS

	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
<i>In millions of tenge</i>				
Interest on loans and debt securities issued	122,815	107,708	379,923	326,295
Revaluation loss on financial assets at fair value through profit/loss	9,233	3,912	33,930	7,385
Interest on lease liabilities (Note 21)	8,850	9,113	26,350	28,994
Amortization of discount on provisions and other payables	6,070	5,123	18,178	15,331
Commission for the early redemption of the loan (Note 19)	–	–	4,498	–
Financial guarantees	119	–	339	–
Other	7,722	8,707	22,296	25,207
	154,809	134,563	485,514	403,212

31. FINANCE INCOME

	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
<i>In millions of tenge</i>				
Interest income on amounts due from credit institutions and cash and cash equivalents	50,634	21,279	110,973	50,716
Revaluation gain on financial assets at fair value through profit/loss	2,536	17,046	31,011	25,920
Income from loans and financial assets	13,272	9,410	30,293	23,103
Income from subsidized interest rates on financial liabilities	7,813	632	23,395	993
Income from financial guarantees	1,040	2,618	3,736	6,406
Unwinding of discount on long-term receivables	339	1,275	1,317	2,526
Discount on liabilities at rates below market	21	120	956	130
Other	453	4,895	3,543	8,097
	76,108	57,275	205,224	117,891

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

32. SHARE IN PROFIT OF JOINT VENTURES AND ASSOCIATES, NET

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Joint ventures				
Tengizchevroil LLP	190,220	104,921	591,311	303,926
Asian Gas Pipeline LLP	83,670	69,812	226,862	190,636
Mangistau Investments B.V.	15,655	20,724	56,242	47,518
Beineu-Shymkent Pipeline LLP	8,272	11,632	34,248	47,805
JV Kazgermunai LLP	3,897	1,172	14,655	5,271
Kazakhstan – China Pipeline LLP	3,953	3,814	12,930	10,695
Petrosun LLP	12,587	–	12,587	–
Ural Group Limited BVI	(2,286)	(571)	(6,777)	(5,791)
Other	7,647	32,918	41,314	48,271
Associates				
Caspian Pipeline Consortium JSC	17,728	17,111	81,437	56,432
JV KATCO LLP	28,069	771	37,401	7,656
Kazzinc LLP	(9,073)	3,572	14,992	46,538
United Transport and Logistics Company – Eurasian Rail Alliance” JSC	1,702	2,193	10,584	7,434
Transtelecom JSC	880	1,102	(7,902)	1,009
Other	13,420	2,966	31,442	15,538
	376,341	272,137	1,151,326	782,938

33. INCOME TAX EXPENSES

<i>In millions of tenge</i>	For the three months ended September 30		For the nine months ended September 30	
	2022 (unaudited)	2021 (unaudited)	2022 (unaudited)	2021 (unaudited)
Current income tax expenses				
Corporate income tax (“CIT”)	115,609	71,948	315,223	225,340
Withholding tax on dividends and interest income	9,086	3,010	21,426	10,273
Excess profit tax	121	1	3,710	39
Deferred income tax expense/(benefit)				
Corporate income tax (“CIT”)	33,893	17,322	79,700	54,366
Withholding tax on dividends and interest income	34,445	15,738	104,608	45,589
Excess profit tax	–	(142)	239	(153)
Income tax expenses	193,154	107,877	524,906	335,454

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

34. CONSOLIDATION

Subsidiaries included in these interim condensed consolidated financial statements are presented as follows:

	Main activity	Country of incorporation	Ownership percentage		
			September 30, 2022 (unaudited)	December 31, 2021 (audited)	
1	NC KMG JSC and subsidiaries	Exploration, production, processing and transportation of oil and gas	Kazakhstan	90.42%	90.42%
2	National Company “QazaqGaz” JSC and subsidiaries	Exploration, production, transportation, sale and storage of natural gas and gas condensate	Kazakhstan	100.00%	100.00%
3	NC KTZh and subsidiaries	Passenger and cargo transportation	Kazakhstan	100.00%	100.00%
4	National Atomic Company “Kazatomprom” JSC and subsidiaries	Production and mining of uranium, rare metals	Kazakhstan	75.00%	75.00%
5	Samruk-Energy JSC and subsidiaries	Electricity and heat production	Kazakhstan	100.00%	100.00%
6	KEGOC and subsidiaries	Electricity transmission services	Kazakhstan	90.00%+1	90.00%+1
7	Kazpost JSC and subsidiaries	Postal and financial activities	Kazakhstan	100.00%	100.00%
8	Kazakhtelecom JSC and subsidiaries	Telecommunication services	Kazakhstan	52.03%	52.03%
9	Air Astana JSC and subsidiaries	Air transportation	Kazakhstan	51.00%	51.00%
10	Samruk-Kazyna Construction JSC and subsidiaries	Construction and real estate management	Kazakhstan	100.00%	100.00%
11	National Mining Company “Tau-Ken Samruk” and subsidiaries	Exploration, mining and processing of solid minerals	Kazakhstan	100.00%	100.00%
12	Samruk-Kazyna Ondeu LLP and subsidiaries	Development and implementation of projects in the chemical industry	Kazakhstan	100.00%	100.00%
13	Samruk-Kazyna Invest LLP and subsidiaries	Investments	Kazakhstan	100.00%	100.00%
14	Samruk-Kazyna Contract LLP	Procurement activities	Kazakhstan	100.00%	100.00%
15	EGRES-2	Power generation	Kazakhstan	100.00%	100.00%
16	SK Business Service LLP and subsidiaries	Transformation services, information and IT services	Kazakhstan	100.00%	100.00%
17	Qazaq Air JSC	Air transportation	Kazakhstan	100.00%	100.00%
18	Kazakhstan nuclear electric plants LLP	Servicing companies in the electricity sector	Kazakhstan	100.00%	100.00%
19	Kazakhstan Petrochemical Industries Inc. JSC	Production of oil-and-gas and petrochemical products	Kazakhstan	99%	99%
20	CCGT Turkistan LLP (former – “PVH Development” LLP)	Transmission, distribution and sale of electricity	Kazakhstan	100.00%	100.00%
21	Center for Scientific and Technological Initiatives Ltd Private company*	Institutional service for innovative technologies, other research and experimental developments in the natural and technical sciences	Kazakhstan	100.00%	–

* Private company “Center for Scientific and Technological Initiatives Ltd”, a new subsidiary of the Fund, was registered on April 18, 2022, in the Astana International Financial Centre.

35. RELATED PARTY DISCLOSURES

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties include key management personnel of the Group, enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by the Group’s key management personnel and other entities controlled by the Government. Related party transactions were made on terms agreed to between the parties that may not necessarily be at market rates, except for certain regulated services, which are provided based on the tariffs available to related and third parties.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

35. RELATED PARTY DISCLOSURES (continued)

The following table provides the total amount of transactions, which have been entered into with related parties during the nine months ended September 30, 2022 and 2021 and the related balances as at September 30, 2022, and December 31, 2021, respectively:

<i>In millions of tenge</i>		Associates	Joint ventures where the Group is a venturer	Other state- controlled entities
	September 30, 2022	8,635	137,771	52,032
Due from related parties	December 31, 2021	6,189	28,732	35,262
	September 30, 2022	38,933	487,404	10,067
Due to related parties	December 31, 2021	40,544	282,269	8,186
	September 30, 2022	115,862	338,691	812,346
Sale of goods and services	September 30, 2021	167,723	218,818	600,815
	September 30, 2022	154,215	2,053,088	58,770
Purchase of goods and services	September 30, 2021	147,477	1,221,384	8,151
	September 30, 2022	7,086	27,303	1,774
Other income/(loss)	September 30, 2021	401	3,744	2,046
	September 30, 2022	–	186	75,533
Cash and cash equivalents, and amounts due from credit institutions	December 31, 2021	–	78	154,768
	September 30, 2022	12,152	326,465	6,898
Loans issued	December 31, 2021	14,169	300,929	14,100
	September 30, 2022	7,027	10,809	945,118
Borrowings	December 31, 2021	22,438	4	964,744
	September 30, 2022	17,170	19,072	197,091
Other assets	December 31, 2021	17,204	28,912	160,638
	September 30, 2022	24,674	76,489	57,875
Other liabilities	December 31, 2021	41,258	59,415	54,610
	September 30, 2022	1,192	16,158	10,372
Interest accrued due from related parties	September 30, 2021	2,137	33,276	10,200
	September 30, 2022	2,252	327	64,043
Interest accrued due to related parties	September 30, 2021	3,490	2,343	63,047

As at September 30, 2022 some of the Group’s borrowings in the amount of 18,289 million tenge were guaranteed by the Government of the Republic of Kazakhstan (as at December 31, 2021: 42,907 million tenge).

For the nine months ended September 30, 2022 the total compensation to key management personnel (members of the Boards of Directors and Management boards of the Fund and its subsidiaries) included in general and administration expenses in the accompanying interim consolidated statement of comprehensive income was equal to 4,342 million tenge (for the nine months ended September 30, 2021: 4,502 million tenge). Compensation to key management personnel consists primarily of contractual salary and performance bonus based on operating results.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

36. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no transfers between Level 1 and Level 2 during the reporting period, and no transfers into or out of Level 3 category.

The carrying amount of the financial instruments of the Group as at September 30, 2022 and December 31, 2021 is a reasonable estimate of their fair value for the following financial instruments:

<i>In millions of tenge</i>	Level 1	Level 2	Level 3	September 30, 2022 (unaudited)
Financial instruments category				
Assets				
Loans issued at fair value through profit and loss	–	–	129,667	129,667
Financial assets measured at fair value through OCI	1,120	34,804	73	35,997
Financial assets at fair value through profit and loss	80,865	16,988	42,902	140,755
Derivative financial assets	–	1,983	1,156	3,139
<hr/>				
<i>In millions of tenge</i>	Level 1	Level 2	Level 3	December 31, 2021 (audited)
Financial instruments category				
Assets				
Loans issued at fair value through profit and loss	–	–	123,161	123,161
Financial assets measured at fair value through OCI	1,134	20,741	60	21,935
Financial assets at fair value through profit and loss	74,356	14,486	32,913	121,755
Derivative financial assets	–	14,153	–	14,153

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

36. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

As at September 30, 2022 and December 31, 2021 the carrying amount of the Group’s financial instruments approximates their fair value except for the following financial instruments:

<i>In millions of tenge</i>	September 30, 2022 (unaudited)				
	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in an active market (Level 1)	From the observed market (Level 2)	Based on the significant amount of unobserved (Level 3)
Financial assets					
Loans issued at amortized cost and finance lease receivables	295,377	263,818	–	8,918	254,900
Amounts due from credit institutions	1,045,850	1,042,413	710,484	329,555	2,374
Financial liabilities					
Borrowings	8,097,228	7,144,971	3,820,263	2,162,536	1,162,172
Loans from the Government of the Republic of Kazakhstan	594,145	594,145	–	594,145	–
Guarantee obligations	38,970	42,367	–	37,590	4,777

<i>In millions of tenge</i>	December 31, 2021 (audited)				
	Carrying amount	Fair value	Fair value by level of assessment		
			Quotations in an active market (Level 1)	From the observed market (Level 2)	Based on the significant amount of unobserved (Level 3)
Financial assets					
Loans issued at amortized cost and finance lease receivables	280,955	273,189	–	10,274	262,915
Amounts due from credit institutions	776,662	770,714	546,900	215,651	8,163
Financial liabilities					
Borrowings	7,862,692	8,575,232	5,039,417	2,484,584	1,051,231
Loans from the Government of the Republic of Kazakhstan	579,369	374,861	–	374,861	–
Guarantee obligations	40,456	38,655	–	33,330	5,325

The fair value of the above financial instruments has been calculated by discounting the expected future cash flows at prevailing interest rates.

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy are shown below:

	Valuation technique	Significant unobservable inputs	Range as of September 30, 2022	Range as of December 31, 2021
Loans issued at amortized cost and finance lease receivables			8.5-30%	3.1%-30%
Amounts due from credit institutions	Discounted cash flow method	Interest/ discount rate	1.2%-9%	6.94%
Borrowings			3.5%-17%	3.5%-17%
Financial guarantee issued			5.07%-5.4%	4.5%-5.25%

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

37. COMMITMENTS AND CONTINGENCIES

In addition to the contingent liabilities and commitments disclosed in the Group annual consolidated financial statements of the Group for the year ended December 31, 2021, the following changes have taken place during the nine months ended September 30, 2022:

Comprehensive tax audit at Pavlodar Refinery for 2016-2020

On March 1, 2022, based on 2016-2020 comprehensive tax audit, Pavlodar oil chemistry refinery (further – “Pavlodar Refinery”) received additional tax assessment for VAT for 15,290 million tenge, for CIT for 2,772 million tenge, for other taxes for 255 million tenge, including penalties, and reduction in tax carry-forward losses for 15,579 million tenge. Pavlodar Refinery has not agreed with tax audit results and on April 15, 2022 sent an appeal to the RK Ministry of Finance. In May 2022, appeal consideration was suspended by the RK Ministry of Finance until clarification of the circumstances. The Group believes that the risk of additional tax assessment is not probable, as such, the Group did not recognize any provisions as of September 30, 2022.

Comprehensive tax audit at EGRES-1 for 2016-2020

In September 2022, based on 2016-2020 comprehensive tax audit, EGRES-1 received additional tax assessment for CIT and property tax for 51,066 million tenge, including penalties. The results of the tax audit of EGRES-1 were appealed to the Appeal Commission under the Ministry of Finance of the Republic of Kazakhstan, which on November 13 of this year informed the company of the suspension of the period for considering the complaint in connection with the appointment of a thematic audit in relation to EGRES-1. The deadline for considering a complaint against a notification of the results of an inspection has been extended until December 19, 2022.

The Group believes that the risk of additional tax assessment is not probable, as such, the Group did not recognize any provisions as of September 30, 2022.

The case of an administrative offense of the Pavlodar Refinery initiated by the Department of Agency for protection and development of competition of RK (hereafter – Antimonopoly agency) of the Pavlodar region

During February-July 2022 the Prosecutor's Office of the Pavlodar region together with the Antimonopoly agency conducted an inspection of the Pavlodar Refinery operations for compliance with the legislation of the Republic of Kazakhstan in the field of oil and petroleum products turnover, labor, tax and antimonopoly legislation for 2020-2021. On March 16, 2022 Antimonopoly agency issued the Conclusion which stated that Pavlodar Refinery set monopolistically high tariff for oil refining services. On July 25, 2022, Antimonopoly agency of the Pavlodar region initiated an administrative offence and issued a Protocol to the Specialized Court for Administrative Offenses of Pavlodar city for setting by the Pavlodar Refinery monopolistically high tariff for oil refining services in 2021 and to confiscate revenue for 2021 of 21,961 million tenge and impose fine of 6,226 million tenge. During August-September 2022, Pavlodar Refinery appealed several times to terminate Protocol and Conclusion. However, all appeals of Pavlodar Refinery were rejected. Pavlodar Refinery is planning to further follow the appealing process in higher judiciaries. In September 2022, after rejection of initial appeals the Group recognized a provision in the amount of KZT 28,187 million tenge (*Note 22*).

Inspection of the Prosecutor's Office of the Atyrau region with the involvement of Antimonopoly agency of the Atyrau Refinery

During February-September 2022 the Prosecutor's Office of the Atyrau region with the involvement of the Antimonopoly agency conducted an inspection of the Atyrau Refinery operations. On September 22, 2022 the Prosecutor's Office of the Atyrau region provided a conclusion of setting monopolistically high tariff for oil refining services in 2020-2021. The Atyrau Refinery has sent an official letter with justifying the approved tariff for oil refining services in 2020-2021. The Group believes that the risk of revenue confiscation and fine imposing are not probable, as such, the Group did not recognize any provisions as of September 30, 2022.

The proceedings initiated against Mr. Stati and his related parties related to the arrest of shares KMG Kashagan B.V. belonging to the Fund

The proceedings initiated against Mr, Stati and his related parties on the suit of the Fund due to the arrest of shares KMG Kashagan B.V. belonging to the Fund

On September 14, 2017 the pre-judgement attachment in respect of the Fund's rights on management of 50% KMG Kashagan B.V. shares worth 5.2 billion US dollars was imposed with regard to the decision of the Amsterdam Court (the “Pre-judgement Attachment”).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

37. COMMITMENTS AND CONTINGENCIES (continued)

The proceedings initiated against Mr. Stati and his related parties related to the arrest of shares KMG Kashagan B.V. belonging to the Fund (continued)

The proceedings initiated against Mr. Stati and his related parties on the suit of the Fund due to the arrest of shares KMG Kashagan B.V. belonging to the Fund (continued)

The named Pre-judgement Attachment was imposed as part of the claim for recognition and enforcement of the arbitral award on the matter of Anatolie Stati, Gabriel Stati, Ascom Group SA and Terra Raf Trans Trading Ltd, against the Republic of Kazakhstan issued in 2013 by the Arbitration Tribunal at the Arbitration Institute of the Stockholm Chamber of Commerce.

On December 18, 2020, the Supreme Court overturned the decision of the Amsterdam Court of Appeal dated May 7, 2019 to maintain the arrest and sent the case to the Court of Appeal in The Hague. The Court of Appeal in Hague started on April 4, 2022.

On June 14, 2022, the Court of Appeal of The Hague issued a decision, according to which the arrest of Kashagan shares owned by the Fund, imposed in September 2017, was lifted.

On August 8, Stati filed an appeal against the decision of the Court of Appeal of The Hague of June 14, 2022. The process is currently ongoing.

The Main process on Mr. Stati's claim, filed on December 7, 2017, in which Mr. Stati asks the court to recognize the Fund as part of the Republic of Kazakhstan and oblige the Fund to comply with the arbitral award

On March 17, 2021, hearings were held on the Main process on Mr. Stati's claim, filed on December 7, 2017, in which Mr. Stati asks the court to recognize the Fund as part of the Republic of Kazakhstan and oblige the Fund to comply with the arbitral award of December 19, 2013.

On April 28, 2021, the District Court of Amsterdam granted the request made by the Fund to postpone the Main Process pending the decision of the Court of Appeal in The Hague to challenge the restriction on the shares of KMG Kashagan B.V.

On November 2, 2022, the Fund filed an application to terminate the trial, in connection with the decision of the Court of Appeal of The Hague dated June 14, 2022, according to which the arrest of Kashagan shares owned by the Fund, imposed in September 2017, was lifted. The process is currently ongoing.

The civil litigation at KMGI

Faber Invest & Trade Inc. (further Faber), the non-controlling shareholder of KMGI subsidiaries, resumed several previous civil filings in 2020, one of which challenged the increase in the Rompetrol Rafinare Constanta, the KMGI subsidiary, share capital in 2003-2005. The hearings have been held periodically, but no final decisions were made. On July 13, 2021, the court rejected the complaint of Faber. However, Faber appealed against this decision. Based on the results of the hearing in December 2021, the court granted the complaint and returned the case for reconsideration. Most of Faber's lawsuits were dismissed by the Supreme Court in May and September 2022, including an appeal filed by Faber challenging Faber's corporate documents approving the bond issue and paying off historical budget debts as filed after the deadline, so the first court decision in favor of Rompetrol Rafinare Constanta became final. Faber has filed the same lawsuit for the third time, but now in the Constanta court. The first hearing has not yet been scheduled.

The Group believes that its position regarding Faber's new application will be resolved in a similar manner to other similar proceedings resolved in favor of the Group. Accordingly, the Group did not recognize a provision in this case as of September 30, 2022.

Civil legal dispute between the National Mineral Resources Agency (ANRM) and Oilfield Exploration Business Solutions S.A (OEBS), subsidiary of KMGI, at the Focsani field

On December 17, 2019 OEBS has been noticed by the ANRM that a Request for Arbitration would have been filed in to ICC Paris for an alleged breach by OEBS of the Concession Agreement as regards the exploration block near Focsani. Starting from that period, OEBS was in dispute with ANRM. On July 29, 2022 the Court decided to oblige OEBS to pay 10.1 million U.S. dollars from a total ANRM claim of 20 million U.S. dollars. As of September 30, 2022, the Group recognized a provision in the amount of 10.1 million US dollars (equivalent to 5,022 million tenge).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

37. COMMITMENTS AND CONTINGENCIES (continued)

Competition investigation Moldova

Since the beginning of 2021, Rompetrol Moldova (further RPM), a subsidiary of KMGI operating in Moldova, is involved in an investigation and related court proceedings initiated by the Competition Council of Moldova (further CCM) alleging RPM agreed with other industry players on retail prices for petroleum products. RPM is challenging the competition report prepared by the CCM investigation division that forms the basis for the allegations in accordance with applicable regulations. A few attempts to dismiss the said report were unsuccessful with the latest ruling rejecting RPM's request to dismiss the report issued by the local court on May 26, 2022. As of September 30, 2022 RPM is waiting for the grounds for rejecting RPM's request and will use other remedies available at law to continue contesting the CCM's allegations. The Group did not recognize any provisions as of September 30, 2022.

The case of arbitration between KazRosGas LLP (further KRG) and Karachaganak Petroleum Operating B.V. (further KPO)

On August 23, 2022, the Notice of Initiation of Arbitration Proceedings of KPO was submitted to the KRG by the Secretariat of the International Chamber of Commerce in Paris. KPO intends to increase the gas sale price under the existing Karachaganak Gas Purchase and Sale Agreement. If the gas price is agreed later than October 1, 2022, KRG and KPO shall recalculate the gas price for the period from October 1, 2022 to the date of the price agreement. In order to ensure a stable supply of gas to the domestic market of the RK, KRG and the Ministry of Energy sent letters to KPO contractors with a proposal to suspend arbitration proceedings until 2024-2025. As of September 30, 2022, the parties are negotiating to resolve the dispute on mutually beneficial terms.

Environmental matters

The enforcement of environmental regulation in Kazakhstan is evolving and subject to ongoing changes. In accordance with the amendments to the Environmental Code of the Republic of Kazakhstan, which entered into force on July 1, 2021, the management believes that there are possible liabilities that may have an impact on the Group's financial position and results of operations.

At the date of issuance of the interim condensed consolidated financial statements, the Group analyses the changes and cannot reliably estimate the amount of additional potential liabilities related to the asset retirement and land recultivation, except for those reflected in these financial statements.

Cost recovery audits

As of September 30, 2022 the Group's share in the total disputed amounts of costs is 1,143,535 million tenge (as of December 31, 2021: 979,556 million tenge).

Kazakhstan local market obligation

During nine months ended September 30, 2022, in accordance with its obligations, the Group delivered 6,062 thousand tons of crude oil (during nine months ended September 30, 2021: 5,230 thousand tons) to the Kazakhstan market.

Oil supply commitments

As at September 30, 2022 the Group had commitments under the oil supply agreement in the amount of 7,31 million ton (as at December 31, 2021: 8.6 million ton).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(unaudited) (continued)**

37. COMMITMENTS AND CONTINGENCIES (continued)

Commitments under oilfield and mining field licenses and subsurface use contracts

As at September 30, 2022 the Group had following commitments on fulfillment of minimal work programs with respect to the requirements of their oilfield and mining licenses and related subsurface use contracts with the Government (in millions of tenge):

Year	Capital expenditures	Operational expenditures
2022	446,691	126,317
2023	536,892	93,062
2024	589,097	95,191
2025	779,401	98,851
2026-2059	2,682,588	1,544,286
Total	5,034,669	1,957,707

Capital commitments

As at September 30, 2022 the Group, including its joint ventures, had capital commitments of approximately 1,048,567 million tenge related to acquisition and construction of property, plant and equipment, excluding VAT (December 31, 2021: 2,252,306 million tenge, excluding VAT).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

38. SEGMENT REPORTING

The following table represents information about profit and loss, assets and liabilities of operating segments of the Group as at September 30, 2022 and for the nine months then ended:

<i>In millions of tenge</i>	Oil-and-gas and petrochemical segment	Mining	Trans- portation	Com- munication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	7,510,538	1,474,873	1,399,826	502,742	415,384	19,838	37,691	14,538	-	11,375,430
Revenues from sales to other segments	28,290	31	7,443	3,589	58,512	6,564	757,287	8,825	(870,541)	-
Total revenue	7,538,828	1,474,904	1,407,269	506,331	473,896	26,402	794,978	23,363	(870,541)	11,375,430
Geographical markets										
Kazakhstan	1,142,615	779,094	1,158,575	490,149	454,416	22,339	794,978	23,363	(870,541)	3,994,988
Other countries	6,396,213	695,810	248,694	16,182	19,480	4,063	-	-	-	7,380,442
Gross profit	1,809,606	340,412	292,525	177,465	164,240	6,412	741,705	11,449	(759,301)	2,784,513
General and administrative expenses	(142,218)	(30,738)	(83,896)	(37,665)	(19,562)	(3,789)	(11,880)	(2,791)	8,356	(324,183)
Transportation and selling expenses	(644,234)	(16,999)	(7,596)	(8,919)	(8,866)	(566)	-	(8)	9,551	(677,637)
Finance income	113,778	17,210	41,021	16,393	7,413	1,930	31,698	30,023	(54,242)	205,224
Finance costs	(262,833)	(7,402)	(121,637)	(34,448)	(41,808)	(4,521)	(54,256)	(42,911)	84,302	(485,514)
Share in profits/(loss) of joint ventures and associates	1,057,881	74,759	2,878	-	11,960	(154)	3,933	69	-	1,151,326
Foreign exchange gain/(loss), net	34,545	17,286	(37,372)	10,081	(616)	(131,990)	45,663	(15,266)	(7,719)	(85,388)
Income tax (expenses)/benefit	(347,075)	(75,708)	(34,175)	(36,744)	(28,083)	(155)	(2,782)	4,798	(4,982)	(524,906)
Net profit/(loss) for the period	1,575,273	320,930	47,310	80,861	83,564	(135,312)	1,086,011	(13,930)	(1,058,105)	1,986,602
Other segment information										
Total assets of the segment	21,375,227	2,915,142	4,309,698	1,430,599	1,583,817	220,745	8,623,096	342,022	(6,902,610)	33,897,736
Total liabilities of the segment	9,316,726	673,272	2,878,296	655,708	700,313	72,558	1,620,293	215,358	(1,616,464)	14,516,060
Investments in joint ventures and associates	5,988,385	690,606	28,659	-	102,431	5,206	38,498	85	(32,341)	6,821,529

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

38. SEGMENT REPORTING (continued)

The following table represents information about profit and loss of operating segments of the Group for the nine months ended September 30, 2021 and assets and liabilities as at December 31, 2021:

<i>In millions of tenge</i>	Oil-and-gas and petrochemical segment	Mining	Trans- portation	Com- munication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	5,200,850	852,561	1,184,429	461,252	464,417	21,569	37,111	11,239	-	8,233,428
Revenues from sales to other segments	17,345	68	2,959	3,056	109,000	4,258	265,835	18,879	(421,400)	-
Total revenue	5,218,195	852,629	1,187,388	464,308	573,417	25,827	302,946	30,118	(421,400)	8,233,428
Geographical markets										
Kazakhstan	924,603	537,518	1,026,163	447,655	554,115	20,326	302,946	30,118	(421,400)	3,422,044
Other countries	4,293,592	315,111	161,225	16,653	19,302	5,501	-	-	-	4,811,384
Gross profit	1,389,806	118,310	329,759	168,138	151,687	4,981	251,474	14,831	(298,335)	2,130,651
General and administrative expenses	(125,411)	(26,523)	(75,162)	(36,984)	(15,976)	(3,118)	(16,859)	(2,643)	9,463	(293,213)
Transportation and selling expenses	(535,246)	(6,296)	(4,916)	(8,378)	(9,047)	(911)	-	-	10,137	(554,657)
Finance income	86,380	8,318	15,032	5,285	8,827	1,318	17,977	16,610	(41,856)	117,891
Finance costs	(216,640)	(5,087)	(114,501)	(35,907)	(39,919)	(4,457)	(27,251)	(24,756)	65,306	(403,212)
Share in profits/(loss) of joint ventures and associates	702,827	63,667	8,333	-	9,659	(152)	(1,409)	13	-	782,938
Foreign exchange (loss)/gain, net	(17,165)	2,076	(8,890)	1,011	564	281	12,496	(625)	(333)	(10,585)
Income tax expenses	(227,334)	(23,057)	(31,303)	(24,873)	(21,728)	(83)	(2,241)	(849)	(3,986)	(335,454)
Net profit/(loss) for the period	1,005,110	126,998	126,046	82,294	79,425	(3,498)	230,147	4,776	(266,035)	1,385,263
Other segment information										
Total assets of the segment	19,445,893	2,739,861	4,133,241	1,341,590	1,616,981	275,228	8,309,598	373,645	(7,926,279)	30,309,758
Total liabilities of the segment	7,584,307	469,838	2,820,223	667,222	788,374	90,916	1,790,290	217,503	(1,292,007)	13,136,666
Investments in joint ventures and associates	4,851,977	703,195	27,688	-	90,472	5,215	35,013	15	(32,341)	5,681,234

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

38. SEGMENT REPORTING (continued)

The following tables represents information about profit and loss of operating segments of the Group for the three months ended September 30, 2022 and September 30, 2021:

<i>In millions of tenge</i>	Oil-and-gas and petrochemical segment	Mining	Trans- portation	Com- munication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	2,359,442	495,867	565,584	183,064	133,152	6,686	13,094	8,186	-	3,765,075
Revenues from sales to other segments	12,242	19	3,200	1,348	23,641	2,419	276,853	3,253	(322,975)	-
Total revenue	2,371,684	495,886	568,784	184,412	156,793	9,105	289,947	11,439	(322,975)	3,765,075
Geographical markets										
Kazakhstan	408,252	233,128	474,132	177,690	149,648	7,646	289,947	11,439	(322,975)	1,428,907
Other countries	1,963,432	262,758	94,652	6,722	7,145	1,459	-	-	-	2,336,168
Gross profit	617,039	134,106	166,013	71,655	51,847	1,334	268,748	4,592	(271,773)	1,043,561
General and administrative expenses	(48,593)	(10,231)	(30,955)	(10,777)	(5,599)	(1,818)	(2,956)	(949)	3,158	(108,720)
Transportation and selling expenses	(215,605)	(6,366)	(3,269)	(4,806)	(2,724)	(164)	-	(2)	2,611	(230,325)
Finance income	45,603	3,848	9,717	7,088	2,617	848	17,819	10,638	(22,070)	76,108
Finance costs	(83,450)	(2,240)	(42,922)	(11,692)	(13,812)	(1,480)	(21,286)	(11,496)	33,569	(154,809)
Share in profits/(loss) of joint ventures and associates	341,398	27,429	2,599	-	3,858	(50)	1,093	14	-	376,341
Foreign exchange gain/(loss), net	165,371	65	(72,120)	1,148	(7,045)	(131,163)	103,678	3,412	(5,813)	57,533
Income tax (expenses)/benefit	(112,317)	(28,954)	(23,386)	(14,935)	(9,285)	(62)	(1,670)	32	(2,577)	(193,154)
Net profit/(loss) for the period	672,230	129,008	2,712	35,008	19,308	(132,593)	701,731	6,737	(598,421)	835,720

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

38. SEGMENT REPORTING (continued)

<i>In millions of tenge</i>	Oil-and-gas and petrochemic al segment	Mining	Trans- portation	Com- munication	Energy	Industrial	Corporate center	Other	Elimination	Total
Revenues from sales to external customers	1,831,315	299,955	428,325	159,107	156,915	7,003	12,213	3,890	-	2,898,723
Revenues from sales to other segments	3,965	34	828	912	37,341	1,128	10,264	2,635	(57,107)	-
Total revenue	1,835,280	299,989	429,153	160,019	194,256	8,131	22,477	6,525	(57,107)	2,898,723
Geographical markets										
Kazakhstan	312,165	209,853	361,779	154,514	187,628	6,156	22,477	6,525	(57,107)	1,203,990
Other countries	1,523,115	90,136	67,374	5,505	6,628	1,975	-	-	-	1,694,733
Gross profit	434,483	36,500	124,628	58,491	44,633	953	3,374	3,907	(11,395)	695,574
General and administrative expenses	(44,517)	(8,665)	(24,374)	(12,809)	(5,543)	(385)	(4,087)	(975)	2,990	(98,365)
Transportation and selling expenses	(161,061)	(2,609)	(1,911)	(2,900)	(2,500)	(211)	-	-	2,670	(168,522)
Finance income	40,246	3,729	6,453	2,054	3,496	482	5,909	6,711	(11,805)	57,275
Finance costs	(71,871)	(1,787)	(37,384)	(11,799)	(13,004)	(1,469)	(11,517)	(8,202)	22,470	(134,563)
Share in profits/(loss) of joint ventures and associates	252,401	6,702	3,245	-	3,627	(52)	6,203	11	-	272,137
Foreign exchange (loss)/gain, net	(16,321)	(847)	3,590	(588)	469	10,237	(5,648)	(51)	78	(9,081)
Income tax (expenses)/benefit	(75,458)	(6,534)	(12,733)	(5,817)	(6,045)	(32)	(983)	379	(654)	(107,877)
Net profit/(loss) for the period	310,495	26,537	60,930	26,723	22,898	9,019	(7,763)	3,832	4,407	457,078

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (continued)

39. SUBSEQUENT EVENTS

Dividends received

In October and November 2022 the Group received dividends from the joint ventures Kazakhoil-Aktobe LLP, PETROSUN LLP, Tengizchevroil LLP in the amount of 3,000 million tenge, 9,800 million tenge, 340 million US dollars respectively (equivalent to 156,312 million tenge), and from the associate United Transport and Logistics Company - Eurasian Rail Alliance JSC in the amount of 661 million Russian rubles (equivalent to 5,004 million tenge).

Settlements for assets held for sale

In October and November 2022 Gas Pipeline LLP repaid the debt to the Group for the Aral gas compressor station in the amount of 45,461 million tenge, including VAT

Reconstruction and expansion of the Astrakhan-Mangyshlak main water pipeline

On October 5, 2022, The NC KMG Group within the framework of the project «Reconstruction and expansion of the Astrakhan-Mangyshlak main water pipeline» concluded a contract for the construction of the second line of the Astrakhan-Mangyshlak water pipeline for 109,445 million tenge. The NC KMG Group has completed the necessary corporate procedures in accordance with the current legislation. The Agreement has entered into force.

Incident at the Kashagan field

On November 1, 2022, the repair and restoration work carried out since August 2022 due to a leak at the Kashagan field (North Caspian project) at the preliminary gas sampling facility was completed. On November 4, 2022, the plant was put into operation and a gradual transition to the production mode began.

Disposal of interest in subsidiaries

IPO NC KMG

On November 7, 2022, the Fund and NC KMG announced its intention to carry out an IPO, during which the Fund will sell up to 30,505,974 ordinary shares of NC KMG, representing approximately up to 5% of the total number of placed shares (in the amount of 610,119,493 units). The price per share is 8,406 tenge. On November 9, 2022, acceptance of investor applications for the ordinary shares of NC KMG under IPO began at KASE and AIX.

Disposal of interest in Kazakhstan Petrochemical Industries Inc. LLP and Silleno LLP

On November 7, 2022, the Group and SIBUR Holding, a Russian petrochemical company, signed agreements for the sale of 40% share of Kazakhstan Petrochemical Industries Inc. LLP and Silleno LLP. Both agreements contain suspensive conditions for the transfer of ownership of the shares in the share capitals to SIBUR Holding.

Start of gas chemical complex of Kazakhstan Petrochemical Industries Inc. LLP

On November 8, 2022, the President of the Republic of Kazakhstan gave the start of gas chemical complex of Kazakhstan Petrochemical Industries Inc. LLP designed to produce up to 500 thousand tons of polypropylene per year.

Single Point Mooring 1 (hereinafter – SPM-1) put back into operation at Caspian Pipeline Consortium

On November 12, 2022, work was fully completed on the replacement of the buoyancy tank at the tanker loading unit - SPM-1 of the Caspian Pipeline Consortium. Thus, the SPM-1 and SPM-3 are currently in operation, which implies restoration of daily oil shipment volumes at the offshore terminal.