

“Sovereign Wealth Fund “Samruk-Kazyna” JSC

Interim condensed separate financial statements
(unaudited)

As at June 30, 2022 and for the six months then ended

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Report on Review of Interim Financial Information

To the Shareholder and Management of “Sovereign Wealth Fund “Samruk-Kazyna” JSC

Introduction

We have reviewed the accompanying interim condensed separate financial statements of “Sovereign Wealth Fund “Samruk-Kazyna” JSC, which comprise the interim separate statement of financial position as at 30 June 2022, interim separate statement of comprehensive income, interim separate statement of changes in equity and interim separate statement of cash flows for the six months then ended and selected explanatory notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information of "Sovereign Wealth Fund "Samruk-Kazyna" JSC is not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

Ernst & Young LLP

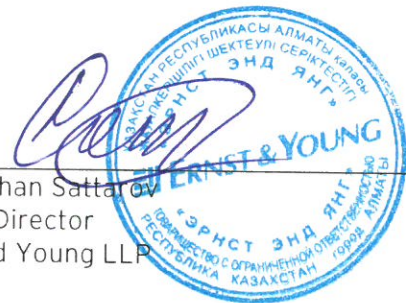


Adil Syzdykov
Auditor

Auditor qualification certificate
No МФ-0000172 dated 23 December 2013

050060, Republic of Kazakhstan, Almaty
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20 September 2022




Rustamzhan Sattarov
General Director
Ernst and Young LLP

State audit license for audit activities on the
territory of the Republic of Kazakhstan: series
МФЮ-2 No. 0000003 issued by the Ministry of
finance of the Republic of Kazakhstan on
15 July 2005

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION

<i>In millions of tenge</i>	Notes	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Assets			
Non-current assets			
Property, plant and equipment		10,177	10,434
Investment property		4,679	4,580
Intangible assets		701	830
Investments in subsidiaries	5	4,375,620	4,441,741
Investments in joint ventures	6	1,545,552	1,545,552
Loans issued and finance lease receivables	7	603,155	595,015
Amounts due from credit institutions	8	390,653	384,909
Other non-current financial assets		694	2,780
Other non-current assets	9	24,623	25,015
		6,955,854	7,010,856
Current assets			
Income tax prepaid		2,253	1,930
Loans issued and finance lease receivables	7	187,800	146,406
Amounts due from credit institutions	8	46,162	23,743
Other current assets	10	348,320	60,143
Cash and cash equivalents	11	480,237	392,967
		1,064,772	625,189
Total assets		8,020,626	7,636,045
Equity and liabilities			
Equity			
Share capital	12	5,268,580	5,268,580
Additional paid-in capital	12	239	-
Revaluation reserve of investments at fair value through other comprehensive income		(1,472)	(1,472)
Retained earnings		983,971	581,545
Total equity		6,251,318	5,848,653
Non-current liabilities			
Borrowings	13	628,993	618,664
Loans from the Government of the Republic of Kazakhstan	14	578,847	569,105
Financial guarantee liabilities	16	56,235	48,393
		1,264,075	1,236,162
Current liabilities			
Borrowings	13	441,300	480,350
Loans from the Government of the Republic of Kazakhstan	14	10,397	10,264
Financial guarantee liabilities	16	5,991	5,195
Other current liabilities	15	47,545	55,421
		505,233	551,230
Total liabilities		1,769,308	1,787,392
Total equity and liabilities		8,020,626	7,636,045

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


Vazira Nurbayeva

Chief accountant

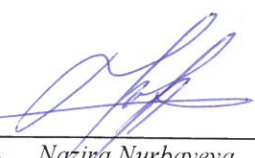

Almaz Abdakhmanova

The accounting policies and notes on pages 5 to 27 are an integral part of these interim condensed separate financial statements (unaudited).

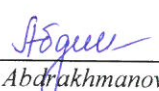
INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

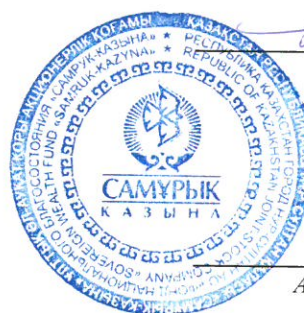
<i>In millions of tenge</i>	Notes	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Interest income	17	46,964	45,405
Interest expenses	18	(32,074)	(32,369)
Dividend income	19	458,067	235,064
Gross profit		472,957	248,100
General and administrative expenses	20	(8,924)	(12,772)
Finance income	21	13,879	12,068
Finance expenses	22	(33,707)	(23,083)
Gain from reversal of impairment reserve of other non-current assets		39	-
Loss on disposal of investment in joint venture, net	23	(790)	-
Expected credit losses		(180)	(2,691)
Foreign exchange loss, net		(15,417)	(2,013)
Other (loss)/ income, net		(241)	2,386
Profit before income tax		427,616	221,995
Income tax expenses	24	(1,112)	(1,258)
Net profit for the period		426,504	220,737
Other comprehensive income		-	-
Total comprehensive income for the period, net of tax		426,504	220,737
Earnings per share			
Basic and diluted share in net profit for the period per share (in tenge)	12	122.49	63.39

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


Nazira Nurbayeva

Chief accountant


Almaz Abdakhmanova



The accounting policies and notes on pages 5 to 27 are an integral part of these interim condensed separate financial statements (unaudited).

INTERIM SEPARATE STATEMENT OF CASH FLOWS

<i>In millions of tenge</i>	Notes	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Cash flows from operating activities			
Dividend received	18	258,086	120,096
Proceeds from borrowings	13	23,605	21,442
Repayment of loans issued		10,395	12,114
Redemption of amounts due from credit institutions		3,345	26,524
Redemption of loans received from the Government	14	(440)	(23,285)
Loans given to subsidiaries		(30,178)	(3,360)
Payments to suppliers		(2,861)	(3,274)
Payroll payments		(1,441)	(1,459)
Sponsorship		(4,181)	(4,991)
Withholding tax		(1,112)	(1,773)
Other taxes and payments		(1,972)	(1,207)
Interest received		22,775	16,388
Interest paid	13, 14	(24,659)	(21,711)
Other cash receipts		2,490	3,684
Net cash flows received from operating activities		253,852	139,188
Cash flows from investing activities			
Placement of bank deposits		(12,558)	-
Contributions to share capital subsidiaries	5	(10,432)	(70,272)
Contributions to share capital of joint venture	5	(2,475)	-
Proceeds from the sale of property, plant and equipment		12	-
Proceeds from the sale of other non-current assets		1,873	-
Proceeds from redemption of bonds issued by subsidiaries		520	6,287
Purchase of property, plant and equipment		(81)	(173)
Purchase of notes of National Bank of Republic of Kazakhstan		(248,463)	-
Proceeds from redemption of notes of National Bank of Republic of Kazakhstan		160,411	-
Purchase of intangible assets		-	(51)
Proceeds from decrease in share capital of subsidiaries		-	8,564
Purchase of debt instruments, issued by subsidiaries		-	(15,695)
Net cash flows used in investing activities		(111,193)	(71,340)
Cash flows from financing activities			
Distributions to the Shareholder	15	(31,650)	(47,649)
Repayment of borrowings	13	(55,994)	(65,083)
Proceeds from borrowing	13	9,799	86,969
Repayment of Government loans	14	(137)	-
Other cash receipts		-	64
Net cash flows used in financing activities		(77,982)	(25,699)
Net increase in cash and cash equivalents		64,677	42,149
Effect of changes in exchange rates on cash and cash equivalents		22,535	3,874
Change in allowance for expected credit losses		58	(42)
Cash and cash equivalents, at the beginning of the period		392,967	344,292
Cash and cash equivalents, at the end of the period		480,237	390,273

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

Chief accountant



Nazira Nurbayeva

Almaz Abdрахmanova

The accounting policies and notes on pages 5 to 27 are an integral part of these interim condensed separate financial statements (unaudited).

INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY

<i>In millions of tenge</i>	Notes	Share capital	Additio- nal paid-in capital	Revaluation reserve of investments at fair value through other comprehensive income	Retained earnings	Total
Balance as at December 31, 2020 (audited)		5,258,657	-	(1,472)	519,489	5,776,674
Net profit for the period		-	-	-	220,737	220,737
Total comprehensive income for the period		-	-	-	220,737	220,737
Other distributions to the Shareholder	12	-	-	-	(29,585)	(29,585)
Assets for distribution to Shareholder		-	-	-	(161)	(161)
Balance as at June 30, 2021 (unaudited)		5,258,657	-	(1,472)	710,480	5,967,665
Balance as at December 31, 2021 (audited)		5,268,580	-	(1,472)	581,545	5,848,653
Net profit for the period		-	-	-	426,504	426,504
Total comprehensive income for the period		-	-	-	426,504	426,504
Issue of shares	12	-	239	-	-	239
Other distributions to the Shareholder	12	-	-	-	(24,000)	(24,000)
Discount on loans from the Government		-	-	-	(78)	(78)
Balance as at June 30, 2022 (unaudited)		5,268,580	239	(1,472)	983,971	6,251,318

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



Nazira Nurbayeva

Chief accountant

Almaz Abdrakhmanova

The accounting policies and notes on pages 5 to 27 are an integral part of these interim condensed separate financial statements (unaudited).

NOTES TO THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS (unaudited)

1. GENERAL INFORMATION

Corporate information

“Sovereign Wealth Fund “Samruk-Kazyna” Joint Stock Company (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 Fund was created by the merger of “Sustainable Development Fund “Kazyna” JSC (“Kazyna”) and “Kazakhstan Holding Company for State Assets Management “Samruk” JSC (“Samruk”) and the additional transfer to the Fund of ownership in certain entities owned by the Government of the Republic of Kazakhstan (the “Government” or the “State”). The founder of the Fund is the Government, represented by State property and privatization committee of the Ministry of finance of the Republic of Kazakhstan. The Government is the sole shareholder of the Fund (the “Shareholder”).

According to the Law of the Republic of Kazakhstan enacted on February 1, 2012 *On Sovereign Wealth Fund*, the Fund’s activities are focused on improving the sovereign wealth of the Republic of Kazakhstan by increasing long-term value of the Fund’s group companies and by effective management of the Fund’s group assets.

The Fund is a holding company with investments in a number of entities listed in *Notes 5* and *6*.

The administrative address of the Fund: 17/10 Syganak str., Nur-Sultan, the Republic of Kazakhstan.

These interim condensed separate financial statements were authorized for issue by the Managing Director for Economy and Finance – member of the Management Board and Chief accountant of the Fund on September 20, 2022.

These interim condensed separate financial statements were issued in addition to the interim condensed consolidated financial statements of the Fund. The interim condensed consolidated financial statements were authorized for issue by the Managing Director for Economy and Finance – member of the Management Board and Chief accountant of the Fund on September 20, 2022.

2. BASIS OF PREPARATION

Interim condensed separate financial statements for the six months ended June 30, 2022 were prepared in accordance with International Accounting Standard 34 *Interim Financial Statements* (“IAS 34”). The interim condensed separate financial statements do not include all the information and disclosures required in the annual separate financial statements and should be read in conjunction with the Fund’s annual separate financial statements for the year ended December 31, 2021.

All amounts in these interim condensed separate financial statements are rounded to the nearest million tenge, except when otherwise indicated.

Foreign currency translation

Functional and presentation currency

These interim condensed separate financial statements are presented in tenge, which is the Fund’s functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate effective at the date of transaction. Monetary assets and liabilities denominated in the foreign currencies are translated to the functional currency using exchange rate effective at the statement of financial position date. All translation differences are taken to the interim separate statement of comprehensive income.

Non-monetary items measured on a cost basis in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at the fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

Exchange rates

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

The official rate of US dollar at June 30, 2022 and December 31, 2021 was 470.34 and 431.8 tenge to 1 US dollar, respectively. The currency exchange rate as at September 20, 2022 was 478.26 tenge to 1 US dollar. For the six months ended June 30, 2022 the Fund had net foreign exchange loss of 15,417 million tenge due to fluctuations in foreign exchange rates to tenge.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New standards, interpretations and amendments adopted by the Fund

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

Several amendments and interpretations were applied for the first time in 2022, but do not have an impact on the interim condensed separate financial statements of the Fund.

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

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 separate financial statements of the Fund 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.

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 separate financial statements of the Fund as there were no modifications of the Fund’s financial instruments during the period.

The Fund intends to apply the practical expedients in future periods, if necessary.

Operating environment

The economy of the Republic of Kazakhstan continues to display some characteristics of an emerging market. It is especially sensitive to fluctuations in the price of oil and gas and other minerals, which make up the bulk of the country’s exports. These features also include, but are not limited to, the existence of a national currency that is not freely convertible outside the country, and a low level of liquidity in the securities market.

Exchange rate volatility has and may continue to have a negative impact on the economy of the Republic of Kazakhstan, including reduced liquidity and difficulties in attracting international financing.

Management believes it is taking all the necessary measures to maintain the sustainability and growth of the Fund’s operations in the current circumstances. The future economic and regulatory environment may differ from management’s current expectations.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Impairment of investments in subsidiaries and joint ventures

At each reporting date the Fund evaluates whether indicators of impairment of the carrying amount of investments in subsidiaries and a joint venture exist. If any such indication exists, the recoverable amount of the asset is estimated and compared to its carrying amount. If the carrying amount exceeds the recoverable amount, impairment is recorded. The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate (adjusted WACC) that Management of the Fund believes reflects the current market assessment of the time value of money and the risks specific to the assets.

The change in the estimated recoverable amount may result in an additional impairment or a reversal of the impairment and thus an impairment reversal being recognised in future periods.

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

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**Impairment of investments in subsidiaries and joint ventures (continued)***Impairment of investments in “National Company “Kazakhstan Temir Zholy” JSC (“KTZh”)*

The assessment of whether there is an indication of assets impairment is based on a number of factors, such as a change in growth expectations in the railway industry, future cash flow estimates, changes in the future availability of financing, technological obsolescence, discontinuance of service, current replacement costs and other changes in circumstances.

The Management of the Fund performed analysis of impairment indicators of the investments in KTZh. Based on performed analysis it was identified that carrying amount of the investments in KTZh was higher than net assets of KTZh as at 30 June 2022.

Due to existing impairment indicators, the Fund performed an impairment test for property, plant and equipment and intangible assets as at 30 June 2022. Recoverable amount of investments in KTZh was determined using value in use method.

A number of subjective factors, both operational and financial, using the best evidence available, had been used to estimate cash flows.

The operational assumptions used in the test reflect expected volumes of transportation services, including transit volumes, based on projected demand and historical growth dynamic of transit freight transportations volumes, based on the approved KTZh business plan, which is a tool for achieving strategic goals.

Financial assumptions include significant estimates associated with tariff forecasts and growth rates, discounts, and projected tenge to Swiss Franc exchange rates. The key long-term assumptions that were used in the calculation were an annual growth rate of 4% and a discount rate of 11.29%.

As at 30 June 2022 no impairment has been identified based on the estimated value in use of the Fund’s investments.

Impairment of investments in “AstanaGas KMG” JSC (“AstanaGas”)

The Management of the Fund performed analysis of impairment indicators of the investments in AstanaGas. Based on performed analysis it was identified that carrying amount of the investments in AstanaGas was higher than net assets of AstanaGas as at 30 June 2022.

Due to existing impairment indicators, the Fund performed an impairment test as at 30 June 2022. Recoverable amount of investments in AstanaGas was determined using value in use method. The value in use was estimated as the present value of the terminal value (in the post-forecast period) of “Saryarka” gas pipeline. The terminal value calculation was formed on the basis of the assumption that “Saryarka” gas pipeline in the entire modeling period, including the post-forecast period, will be owned by AstanaGas, which allows the company to continue to lease it after 2033 on conditions that satisfy shareholders of AstanaGas, that is after the period during which the lease payments will go mainly to service loans.

Discount rate (WACC) of 9.10% was used in calculations. As a result of this analysis, as at 30 June 2022, no impairment was identified. Increase in WACC for 2% will result that the carrying value of the Fund’s investments may become higher than their recoverable amount, which may result in the need to recognise impairment in the future.

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

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**Impairment of investments in subsidiaries and joint ventures (continued)***Impairment of investments in “Samruk-Kazyna Odeu” LLP*

The Management of the Fund performed analysis of impairment indicators of the investments in Samruk-Kazyna Odeu. Based on performed analysis it was identified that carrying amount of the investments in Samruk-Kazyna Odeu was higher than net assets of Samruk-Kazyna Odeu as at 30 June 2022.

Due to existing impairment indicators of investments in Samruk-Kazyna Odeu, the Fund performed an impairment test as at 30 June 2022. Recoverable amount of investments in Samruk-Kazyna Odeu was determined using value in use method.

Financial assumptions include significant estimates associated with polypropylene tariff forecasts and growth rates, and projected tenge to US dollar exchange rates. The key long-term assumptions that were used in the calculation were an annual growth rate of 2.40% and a discount rate of 8.43% in the US dollar.

Based on the assessment of recoverable amount of investments as of 30 June 2022 no impairment was identified. However, the value in use estimate is sensitive particularly to the following assumptions:

- Sales volumes of polypropylene;
- US dollar exchange rate;
- The discount rate (WACC).

The Fund performed a sensitivity analysis and concluded that when using the following justifiably possible changes in the key assumptions on an individual basis, while keeping other parameters constant, no impairment will occur:

- Discount rate (WACC) – an increase of the discount rate from 8.43% to 8.81%.

The majority of the Samruk-Kazyna Odeu’s projects are at the early stage of the development, thus being sensitive for the external and internal factors, such as delays on the projects’ stages and the economics of the projects. Significant changes of each of the mentioned above factors in the future, or the simultaneous impact of several factors, may trigger significant impairment losses during the periods, when these changes would occur.

Impairment of investments in “KazPost” JSC (“KazPost”)

The Management of the Fund performed analysis of impairment indicators of the investments in KazPost. Based on performed analysis it was identified that carrying amount of the investments in KazPost was higher than net assets of KazPost as at 30 June 2022.

Due to existing impairment indicators of investments in Kazpost, the Fund performed an impairment test for property, plant and equipment and intangible assets as at 30 June 2022. Recoverable amount of investments in Kazpost was determined using value in use method.

A number of subjective factors, both operational and financial, using the best evidence available, had been used to estimate cash flows.

Operational assumptions include significant estimates related to the forecast level of traditional postal services, taking into account the Kazpost’s project implementation plans, based on the approved Kazpost business plan, which is a tool for achieving strategic goals.

Financial assumptions include significant estimates associated with tariff forecasts and growth rates and discounts. The key long-term assumptions used in the calculation were an annual growth rate of 4.5% and a discount rate of 11.69%.

Based on the assessment of recoverable amount of investments as of 30 June 2022 no impairment was identified.

The Fund performed a sensitivity analysis and concluded that when using the following justifiably possible changes in the key assumptions on an individual basis, while keeping other parameters constant, no impairment will occur:

- Discount rate (WACC) – an increase of the discount rate from 11.69% to 17.69%.

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

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)**Impairment of investments in subsidiaries and joint ventures (continued)***Impairment of investments in “QAZAQ AIR” JSC (“QAZAQ AIR”)*

The Management of the Fund performed analysis of impairment indicators of the investments in QAZAQ AIR as at December 31, 2021. Based on performed analysis it was identified that carrying amount of the investments in QAZAQ AIR was higher than net assets of QAZAQ AIR as at 31 December 2021.

Due to existing impairment indicators, the Fund performed an impairment test as at 31 December 2021. Recoverable amount of investments in “QAZAQ AIR” JSC was determined using market method. The fair value of investment was determined as the fair value of 5 aircrafts and value of high liquid financial assets of “QAZAQ AIR” JSC.

Based on the assessment of recoverable amount of investments as of 31 December 2021 impairment was identified and the Fund recognized an impairment loss on investments in the amount of 12,200 million tenge in the separate statement of comprehensive income (Note 5).

As at June 30, 2022 and December 31, 2021 investments in QAZAQ AIR are fully impaired.

Impairment of investments in “Samruk-Kazyna-Invest” JSC (“SKI”)

The Management of the Fund performed analysis of impairment indicators of the investments in “SKI”. Based on performed analysis it was identified that carrying amount of the investments in “SKI” was higher than net assets of “SKI” as at 30 June 2022.

Due to existing impairment indicators of investments in “SKI”, the Fund performed an impairment test as at 30 June 2022. Recoverable amount of investments in “SKI” was determined using value in use method.

The forecast of financial flows in the financial models for impairment are based on the sale and purchase agreements of SKI's share in project companies, an indicative offer of the purchase of SKI's share in the project company “Samruk-Kazyna United Green” LLP, valuation data of project companies, the authorized capital of SKI portfolio companies, as well as the share according to market quotations of the listed company Sekerbank T.A.S. and portfolio investments of “Bolashaq Investments LTD”.

Based on the assessment of recoverable amount of investments as of 30 June 2022 no impairment was identified.

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

5. INVESTMENTS IN SUBSIDIARIES

The following table represents investments in subsidiaries of the Fund, their activity, country of incorporation or location, as well as the Fund’s share in these subsidiaries:

<i>In millions of tenge</i>	Activity	Country	30 June 2022 (unaudited)	31 December 2021 (audited)	Ownership	
					30 June 2022 (unaudited)	31 December 2021 (audited)
“National company “Kazakhstan Temir Zholy” JSC	Passenger and cargo transportation	Kazakhstan	1,494,940	1,494,701	100.00%	100.00%
“National company “KazMunayGas” JSC	Exploration, production, processing and transportation of oil and gas	Kazakhstan	1,191,571	1,187,621	90.42%	90.42%
“Samruk-Kazyna Ondeu” LLP	Development and implementation of projects in the chemical industry	Kazakhstan	456,913	531,291	100.00%	100.00%
“Samruk-Energy” JSC	Electricity and heat production	Kazakhstan	456,033	456,033	100.00%	100.00%
“National Mining Company “Tau-Ken Samruk” JSC	Exploration, mining and processing of solid minerals	Kazakhstan	293,333	293,333	100.00%	100.00%
“Kazakhstan Electricity Grid Operating Company” (“KEGOC”) JSC	Electricity transmission services	Kazakhstan	120,648	120,648	90.00%+1	90.00%+1
“National Atomic Company “KazAtomProm” JSC	Production and mining of uranium, rare metals	Kazakhstan	110,608	110,608	75.00%	75.00%
“Kazakhtelecom” JSC	Telecommunication services	Kazakhstan	93,212	93,212	52.03%	52.03%
“Samruk-Kazyna Invest” LLP	Investments	Kazakhstan	68,517	68,517	100.00%	100.00%
“Kazpost” JSC	Postal and financial activities	Kazakhstan	46,410	42,902	100.00%	100.00%
“Samruk-Kazyna Construction” JSC	Construction and real estate management	Kazakhstan	31,849	31,849	100.00%	100.00%
“QAZAQ AIR” JSC	Air transportation	Kazakhstan	12,200	12,200	100.00%	100.00%
“Air Astana” JSC	Air transportation	Kazakhstan	7,276	7,276	51.00%	51.00%
“Samruk-Kazyna Business Service” LLP	Transformation services, information and IT services	Kazakhstan	2,606	2,606	100.00%	100.00%
“Kazakhstan atomic electricity stations” JSC	Realization the construction projects of nuclear power plants	Kazakhstan	1,633	1,123	100.00%	100.00%
Private company “Center for Scientific and Technological Initiatives Ltd”	institutional services for innovative technologies, other research and experimental developments in the natural and technical sciences	Kazakhstan	50	–	100.00%	–
“Samruk-Kazyna Contract” LLP	Procurement activities	Kazakhstan	21	21	100.00%	100.00%
“National company “QazaqGaz” JSC	Exploration, production, transportation, sale and storage of natural gas and gas condensate	Kazakhstan	–	–	100.00%	100.00%
Less: allowance on impairment			(12,200)	(12,200)		
			4,375,620	4,441,741		

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

5. INVESTMENTS IN SUBSIDIARIES (continued)**Changes in investments in subsidiaries**

Change in investments in subsidiaries is represented as follows:

National company “Kazakhstan Temir Zholy” JSC

For the six months ended June 30, 2022, the Fund made a contribution to the authorized capital of JSC “National Company “Kazakhstan Temir Zholy” in the form of a property contribution, the book value of which was 239 million tenge (*Note 12*) (for the six months ended June 30, 2021: 3,786 million tenge).

“Samruk-Kazyna Ondeu” LLP

On December 23, 2021, a decrease in the authorized capital of “Samruk-Kazyna Ondeu” LLP for a total amount of 199,600 million tenge was approved by the decision of the Management Board of the Fund, 88,649 million tenge of which should be paid to the Fund, the remaining part in the amount of 110,951 million tenge should remain on the balance of “Samruk-Kazyna Ondeu” LLP on an indefinite basis.

On February 17, 2022 the Fund concluded a settlement agreement with “Samruk-Kazyna Ondeu” LLP. According to agreement 49.5% share in “Kazakhstan Petrochemical Industries Inc.” LLP has been alienated against obligations on reducing the share capital of “Samruk-Kazyna Ondeu” LLP for the total amount of 88,649 million tenge. On March 18, 2022 the Fund’s ownership rights on 49.5% in “Kazakhstan Petrochemical Industries Inc.” LLP were registered. As a result of this transaction, Fund reduced investments in “Samruk-Kazyna Ondeu” LLP for the total amount of 88,649 million tenge.

For the six months ended June 30, 2022 Fund made cash contribution to the authorized capital of “Kazakhstan Petrochemical Industries Inc.” LLP for the total amount of 2,475 million tenge, and recognized additional liabilities under the issued financial guarantee in the amount of 841 million tenge in connection with the receipt by joint venture - “Kazakhstan Petrochemical Industries Inc.” LLP additional tranches on the loan from the China Development Bank. On June 13, 2022 the 49.5% share in “Kazakhstan Petrochemical Industries Inc.” LLP has been realized to “National company “KazMunayGas” JSC for the total amount of 91,175 million tenge, which was offsetted against interest-free loan received from “National company “KazMunayGas” JSC. As a result of the purchase-sale transaction, Fund recognized loss on disposal of investment in joint venture for the total amount of 790 million tenge in the separate statement of comprehensive income (*Note 22*).

For the six months ended June 30, 2022, the Fund made a contribution to the authorized capital of “Samruk-Kazyna Ondeu” LLP in the amount of 6,364 million tenge in the form of cash contribution (for the six months ended June 30, 2021: 70,033 million tenge).

In addition, Fund recognised discount in the amount of 1,421 million tenge as an increase of investment in “Samruk-Kazyna Ondeu” LLP in connection with the conclusion of additional agreement to the current loan dated December 15, 2017, calculated as the difference between the fair value at the date of additional agreement and its nominal value (*Note 7*).

For the six months ended June 30, 2022, the Fund recognized additional liabilities under the issued financial guarantee in the amount of 6,486 million tenge in connection with the receipt by joint venture of “Samruk-Kazyna Ondeu” LLP - “Kazakhstan Petrochemical Industries Inc.” LLP additional tranches on the loan from the China Development Bank.

“Kazpost” JSC

On March 1, 2022, the Fund made a contribution to the authorized capital of “Kazpost” JSC in the amount of 3,508 million tenge in the form of a cash contribution (for the six months ended June 30, 2021: 239 million tenge).

“National company “KazMunayGas” JSC

For the six months ended June 30, 2022, the Fund recognized additional liabilities under the issued financial guarantee in the amount of 3,950 million tenge in connection with the receipt by joint venture of “National company “KazMunayGas” JSC - “Kazakhstan Petrochemical Industries Inc.” LLP additional tranches on the loan from the China Development Bank.

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

5. INVESTMENTS IN SUBSIDIARIES (continued)

Changes in investments in subsidiaries (continued)

“Kazakhstan atomic electricity stations” JSC

For the six months ended June 30, 2022, the Fund made a contribution to the authorized capital of “Kazakhstan atomic electricity stations” JSC in the amount of 510 million tenge in the form of a cash contribution.

Private company “Center for Scientific and Technological Initiatives Ltd”

On April 18, 2022, Private company “Center for Scientific and Technological Initiatives Ltd”, a new subsidiary of the Fund, was registered in the Astana International Financial Centre, the main activities of which are institutional services for innovative technologies, other research and experimental developments in the natural and technical sciences. On May 5, 2022, the Fund made contribution to the authorized capital of Private company “Center for Scientific and Technological Initiatives Ltd” in the amount of 50 million tenge in the form of a cash contribution.

6. INVESTMENTS IN JOINT VENTURES

Investments in joint ventures were presented as follows:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
“KMG Kashagan B.V.” PLLC	1,494,941	1,494,941
“AstanaGas KMG” JSC	43,695	43,695
“Ekibastuz GRES-2” JSC	16,390	16,390
“PGU “Turkestan” LLP	-	-
Less: allowance on impairment	(9,474)	(9,474)
	1,545,552	1,545,552

On October 28, 2021, the Fund and “Samruk-Kazyna Ondeu” LLP concluded purchase-sale agreement on 50% share in share capital of “PVH Development” LLP for the total amount of 80,000 tenge. On January 21, 2022, the reregistration of right and transfer of share was made. The Fund recognized investment in joint venture in “PVH Development” LLP for this amount. On March 31, 2022, “PVH Development” LLP was renamed to «PGU «Turkestan» LLP.

Activities of joint ventures, country of residence and the Fund’s share is presented as follows:

Company	Activity	Country	Ownership	
			June 30, 2022 (unaudited)	December 31, 2021 (audited)
“KMG Kashagan B.V.” PLLC	Oil and gas industry	Netherlands	50.00%	50.00%
“AstanaGasKMG” JSC	Transportation of gas	Kazakhstan	50.00%	50.00%
“Ekibastuz GRES-2” JSC	Production, transmission and distribution of electrical energy	Kazakhstan	50.00%	50.00%
“PGU “Turkestan” LLP	Production of petrochemical products	Kazakhstan	50.00%	-

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

7. LOANS ISSUED AND FINANCE LEASE RECEIVABLES

Loans issued and finance lease receivables comprised the following:

<i>In millions of tenge</i>	June 30 2022 (unaudited)	December 31 2021 (audited)
Loans issued to subsidiaries	399,114	372,218
“National company “Kazakhstan Temir Zholy” JSC	115,462	85,227
“Samruk-Energy” JSC	91,735	91,686
“QAZAQ AIR” JSC	66,135	64,725
“Samruk-Kazyna Construction” JSC	63,218	67,436
“Samruk-Kazyna Odeu” LLP	57,221	56,258
Other	5,343	6,886
Loans issued to third parties and related parties	14,801	15,033
“Doszhan Temir Zholy” JSC	6,373	6,600
“National company “Kazakhstan Engineering” JSC	4,941	4,946
Other	3,487	3,487
Bonds issued by subsidiaries	280,218	262,349
“Kazakhtelecom” JSC	75,000	75,000
“National company “Kazakhstan Temir Zholy” JSC	46,480	46,035
“Atyrau Oil Refinery” LLP	34,711	32,385
“Samruk-Kazyna Construction” JSC	17,960	11,520
Other	106,067	97,409
Bonds issued by third parties and related parties	116,038	113,058
“NMH Baiterek” JSC	71,621	68,793
“Baiterek Venture Fund” JSC	40,150	40,150
Other	4,267	4,115
Interest receivable	22,586	18,957
Less: allowance for expected credit losses	(45,642)	(45,329)
Total loans issued	787,115	736,286
Finance lease receivables	3,840	5,135
Total loans issued and finance lease receivables	790,955	741,421
Less: current portion	(187,800)	(146,406)
Non-current portion	603,155	595,015

Loans issued and finance lease receivables were denominated in the following currencies:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Loans issued and finance lease receivables in tenge	635,126	606,060
Loans issued in US dollars	137,431	123,560
Loans issued in roubles	18,398	11,801
	790,955	741,421

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

7. LOANS ISSUED AND FINANCE LEASE RECEIVABLES (continued)

Loans issued to subsidiaries

“Samruk-Kazyna Construction” JSC (“SKC”)

For the six months ended June 30, 2022, SKC made partial early repayment of loans in the amount of 4,218 million tenge (for the six months ended June 30, 2021: 6,191 million tenge).

As of June 30, 2022, the total carrying amount of principal and interest receivable on all loans issued by SKC was 63,218 million tenge (December 31, 2021: 67,436 million tenge).

“Samruk-Kazyna Odeu” LLP

For the six months ended June 30, 2022, Fund concluded additional addendum to loan agreement with “Samruk-Kazyna Odeu” LLP dated December 15, 2017 and recognized a loan modification as a result of prolongation of grace period to December 31, 2023. The difference between the nominal value and the fair value of the loan at the date of modification in the amount of 1,421 million tenge was recognized as an increase in investments in a subsidiary (*Note 5*).

As at June 30, 2022 the total book value of the principal and interest receivable on all loans issued to “Samruk-Kazyna Odeu” LLP amounted to 57,230 million tenge (as at December 31, 2021: 56,295 million tenge).

National company “Kazakhstan Temir Zholy” JSC

On May 25, 2022 Fund provided short-term loan to National company “Kazakhstan Temir Zholy” JSC in the total amount of 30.000 million tenge with the maturity of two month and interest rate of 14.5% for the purpose of replenishment of working capital.

8. AMOUNTS DUE FROM CREDIT INSTITUTIONS

Amounts due from credit institutions comprised the following:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
10 largest local banks	401,043	381,543
Other local credit institutions	30,532	30,588
Interest receivable	11,051	2,207
Less: allowance for expected credit losses	(5,811)	(5,686)
Total amount due from credit institutions	436,815	408,652
Less: current portion	(46,162)	(23,743)
Non-current portion	390,653	384,909

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Rating from BBB-(Baa3) to BB-(Ba3)	78,002	67,996
Rating from B+(B1) to B-(B3)	364,624	346,342
Less: provision for expected credit losses	(5,811)	(5,686)
	436,815	408,652

Amounts due from credit institutions were denominated in the following currencies:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Amounts due from credit institutions, in tenge	414,840	400,077
Amounts due from credit institutions, in US dollars	21,975	8,575
	436,815	408,652

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

8. AMOUNTS DUE FROM CREDIT INSTITUTIONS (continued)

Amounts due from credit institutions are mainly represented by funds placed with banks and other financial institutions for financing activities within the framework approved by the Government (targeted loans), as well as bank deposits placed in accordance with the policy on management of temporary available cash.

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Bonds placed with second-tier banks	349,970	330,753
Funds placed in banks and other financial institutions for financing activities within the framework approved by the Government	80,098	83,585
Bank deposits placed under the policy of temporary available cash	12,558	–
Less: provision for expected credit losses	(5,811)	(5,686)
Total amounts due from credit institutions	436,815	408,652
Less: current portion	(46,162)	(23,743)
Non-current portion	390,653	384,909

Bonds placed with second-tier banks

As at 30 June 2022, effective interest rate for bonds placed with second tier banks was from 0.1% to 9% per annum (31 December 2021: from 0.1% to 9%), the maturity was from November 2022 to November 2035 (31 December 2021: from November 2022 to November 2035). The bonds are denominated in US dollars and tenge.

Funds in banks and credit institutions to finance activities within the framework approved by the Government (targeted loans)

As at June 30, 2022 amounts placed with banks and other financial organizations for financing purposes approved by the Government were mainly represented by loans and bank deposits denominated in tenge, issued to the following banks and other financial entities:

- “Entrepreneurship Development Fund “Damu” JSC in the amount of 19,416 million tenge to finance small and medium businesses (as at December 31, 2021: 19,416 million tenge). Interest on these loans was charged at rates 5.5% per annum;
- “Development Bank of Kazakhstan” JSC for decreasing funding costs of leasing, stimulating export of Kazakhstan’s locomotives and reducing lending rate for investment projects in priority segments of economy of 6,181 million tenge, 2,959 million tenge and 1,815 million tenge, respectively (as at December 31, 2021: 6,005 million tenge, 2,896 million tenge and 2,081 million tenge, respectively). Interest on these loans was charged at rates from 0.2% to 0.6% per annum;
- Second-tier banks for refinancing mortgage loans and student loans, construction of residential properties in the cities of Nur-Sultan and Almaty and provision of interim housing loans in the amount of 49,727 million tenge (31 December 2021: 53,187 million tenge). Nominal interest rates on these loans range from 1% to 7.28% per annum.

9. OTHER NON-CURRENT ASSETS

Other non-current assets comprised the following:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Property for transfer	24,611	24,611
SAP licenses	10,041	10,409
Other	12	74
Less: provision for SAP licenses impairment	(10,041)	(10,079)
	24,623	25,015

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

10. OTHER CURRENT ASSETS

Other current assets comprised the following:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Financial assets measured at amortised cost	342,299	54,190
Dividends receivable	199,981	–
Notes of the National Bank of the Republic of Kazakhstan	140,000	52,265
Restricted cash	18,417	18,417
Other trade receivables	12,404	12,011
Less: allowance for expected credit losses	(28,503)	(28,503)
Non-financial assets	6,021	5,953
Other	6,021	5,953
	348,320	60,143

Dividends receivable

As at June 30, 2022 dividends receivable include dividends from “National Atomic Company “KazAtomProm” JSC, “National Mining Company “Tau-Ken Samruk” JSC, “Samruk-Kazyna Construction” JSC in the amount of 170,541 million tenge, 27,409 million tenge and 2,031 million tenge, respectively.

11. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprised the following:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Bank deposits – US dollars	190,260	174,215
Reverse repurchase agreements and other treasury securities with contractual maturity of three months or less	173,213	54,498
Current accounts with banks – US dollars	45,740	67,366
Current accounts with banks – tenge	45,189	34,713
Bank deposits – tenge	25,175	62,275
Current accounts with banks – other currency	747	45
Less: allowance for expected credit losses	(87)	(145)
	480,237	392,967

As at 30 June 2022, the weighted average interest rate on term deposits was 13.42% in tenge, 0.49% in US dollars (31 December 2021: 8.89% in tenge, 0.46% in US dollars), on current accounts was 0.10% in tenge, 0.38% in US dollars (31 December 2021: 0.13% in tenge, 0.27% in US dollars).

12. EQUITY

Share capital

	Number of shares authorized and issued	Par value per share, in tenge	Share capital in millions of tenge
Payment for shares			
As at December 31, 2021 (audited)	3,481,961,408	–	5,268,580
As at June 30, 2022 (unaudited)	3,481,961,408	–	5,268,580

No shares were registered in the first half of 2022.

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

12. EQUITY (continued)

Additional paid-in capital

On June 28, 2022, Fund received movable property for the total amount of 239 million tenge from State property and privatization committee of the Ministry of finance of the Republic of Kazakhstan as the payment for the placed shares of the Fund. On June 28, 2022, the Fund transferred this movable property as a contribution to the authorized capital of National company “Kazakhstan Temir Zholy” JSC (*Note 5*). On July 1, 2022, one placed share of the Fund was registered on account of this transferred property.

Other distributions to the Shareholder

For the six months, ended June 30, 2022, based on the order of the Shareholder, the Fund recognized financing for various social projects in the total amount of 24,000 million tenge (for the six months, ended June 30, 2021: 29,585 million tenge) (*Note 15*). This financing has been recognized as Other Distributions to the Shareholder in the separate statement of changes in equity.

Book value of shares

Additional information disclosed in accordance with Kazakhstan Stock Exchange (“KASE”) requirements

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Total assets	8,020,626	7,636,045
Less: intangible assets	(701)	(830)
Less: total liabilities	(1,769,308)	(1,787,392)
Net assets for calculation of cost of common share in accordance with listing requirements of KASE	6,250,617	5,847,823
Number of common shares	3,481,961,408	3,481,961,408
Cost of common share, calculated in accordance with listing requirements of KASE in tenge*	1,795	1,679

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

In accordance with the decision of the Exchange Council KASE dated October 4, 2010, the financial statements should contain data on the book value of one share (simple and preferred) at the reporting date calculated in accordance with the approved rules KASE.

Earnings per share

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Weighted average number of common shares for basic and diluted earnings per share	3,481,960,762	3,481,958,361
Basic and diluted share in net profit for the period per share (tenge)	122.49	63.39

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

13. BORROWINGS

Borrowings comprised the following:

<i>In millions of tenge</i>	Issuance amount	Redemption date	Nominal/effective interest rate	30 June, 2022 (unaudited)	31 December, 2021 (audited)
Loans received				577,726	630,029
“National Company “KazMunayGas” JSC	492 billion tenge	2022	Interest-free/8.53-14.18% Key rate of the Central Bank of the Russian Federation + 1.75%	407,637	453,328
“VTB Bank” PJSC	10.4 billion roubles	2023	3M Libor + 1.39%	98,412	61,119
“First Heartland Jusan Bank” JSC	40 million US dollars	2024	3M Libor + 1.3%	18,895	17,320
“Halyk Bank” JSC	40 million US dollars	2024	3M Libor + 1.3%	18,891	17,316
“National Mining Company “Tau-Ken Samruk” JSC	18.4 billion tenge	2022	Interest-free	18,442	18,442
“First Heartland Jusan Bank” JSC	20.5 billion tenge	2032	6.50%/6.50% Key rate of the Central Bank of the Russian Federation + 1.75%	15,449	16,179
“VTB Bank”(Kazakhstan) JSC	3 billion roubles	2023	2.25%/2.25%	–	17,674
“VTB Bank”(Kazakhstan) JSC	25 million US dollars	2026	Key rate of the Central Bank of the Russian Federation + 1.8%	–	10,807
“Sberbank” JSC	4 billion roubles	2024	3M Libor + 1.39%	–	9,185
“Sberbank” JSC	20 million US dollars	2024	3M Libor + 1.39%	–	8,659
					–
Bonds				492,567	468,985
Bonds LSE 2021	500 million US dollars	2026	2%/2.36%	232,665	213,291
Bonds KASE 2020	129 billion tenge	2023	10.9%/10.9%	130,295	130,295
Bonds KASE 2018	40.5 billion tenge	2024	9.25%/9.25%	43,341	41,468
Bonds KASE 2018	34.5 billion tenge	2024	9.25%/9.25%	36,920	35,324
Bonds KASE 2017	25 billion tenge	2027	10.5%/10.5%	26,050	26,050
Bond KMG 2017	111 billion tenge	2044	0.5%/10%	19,026	18,438
Bond DBK 2009	114.9 billion tenge	2059	0.01%/6.43-10.22%	4,270	4,119
Total borrowings				1,070,293	1,099,014
Less: amounts due for settlement within 12 months				(441,300)	(480,350)
Amounts due for settlement after 12 months				628,993	618,664

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

13. BORROWINGS (continued)

Borrowings comprised the following currencies:

<i>In millions of tenge</i>	June 30, 2022 (unaudited)	December 31, 2021 (audited)
Borrowings, denominated in tenge	701,430	743,644
Borrowings, denominated in US dollars	270,451	267,393
Borrowings, denominated in Russian rubles	98,412	87,977
	1,070,293	1,099,014

The change in borrowings for the six months ended June 30 is represented as follows:

<i>In millions of tenge</i>	2022*	2021*
Balance as at 1 January (audited)	1,099,014	999,666
Received by cash	33,404	108,411
Interest accrued	21,878	17,445
Initial discount recognition (<i>Note 21</i>)	(1,905)	(4,548)
Interest paid	(15,930)	(12,931)
Repayment of principal	(55,994)	(65,083)
Amortisation of discount	24,973	18,050
Foreign currency translation	55,877	8,147
Offset with other receivables from National Company KazMunayGas JSC (<i>Note 5</i>)	(91,175)	-
Other	151	140
Balance as at 30 June (unaudited)	1,070,293	1,069,297

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

Interest-free loan from National Company KazMunayGas JSC

For the six months, ended June 30, 2022, the Fund received additional tranches from “National Company KazMunayGas” JSC in the amount of 23,605 million tenge (for the six months, ended June 30, 2021: 21,442 million tenge). The difference between the nominal value and the fair value of the loan at the date of issue of tranches in the amount of 1,905 million tenge was recognized as finance income in separate statement of comprehensive income (*Note 21*).

On June 13, 2022, Fund made offsetting of debt on an interest-free loan with receivables from National Company KazMunayGas JSC under a sale and purchase agreement of 49.5% share in “Kazakhstan Petrochemical Industries Inc.” LLP for a total amount of 91,175 million tenge (*Note 5*)

Loan from “VTB Bank” (Kazakhstan) JSC

For the six months, ended June 30, 2022, the Fund made full early redemption of principal of loan from “VTB Bank” (Kazakhstan) JSC in the amount of 25 million US dollars (equivalent to 11,547 million tenge as of date of payment).

On February 28, 2022, the Fund made full early redemption of principal of loan from “VTB Bank” (Kazakhstan) JSC in the amount of 3 billion roubles (equivalent to 14,850 million tenge as of date of payment).

Loan from Sberbank

On January 31, 2022, the Fund made full early redemption of principal of loan from “Sberbank” JSC in the amount of 1.6 billion roubles (equivalent to 8,879 million tenge as of date of payment).

On March 10, 2022, the Fund made full early redemption of principal of loan from “Sberbank” JSC in the amount of 20 million US dollars (equivalent to 10,196 million tenge as of date of payment).

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

13. BORROWINGS (continued)

Covenants

The Fund is required to ensure execution of the financial and non-financial covenants under the terms of the loan agreements. As of June 30, 2022 and December 31, 2021 the Fund complied with all financial and non-financial covenants.

14. LOANS FROM THE GOVERNMENT OF THE REPUBLIC OF KAZAKHSTAN

Loans from the Government of the Republic of Kazakhstan comprised the following:

<i>In millions of tenge</i>	Redemption date	Nominal /effective interest rate	30 June 2022 (unaudited)	31 December 2021 (audited)
Bonds purchased by the National Bank of the Republic of Kazakhstan using the funds of the National Fund	2035-2063	0.01-3%/5.56-8.24%	568,667	558,982
Other loans from the Government	2022-2046	0.15-0.4%/5.15-9.6%	20,577	20,387
Total amounts due to the Government of the Republic of Kazakhstan			589,244	579,369
Less: current portion			(10,397)	(10,264)
Non-current portion			578,847	569,105

The change in loans from the Government of the Republic of Kazakhstan for the six months ended June 30 are represented as follows:

<i>In millions of tenge</i>	2022*	2021*
Balance as at 1 January (audited)	579,369	593,221
Interest accrued	8,685	8,737
Discount	78	-
Interest paid	(8,729)	(8,780)
Principal paid	(577)	(23,285)
Amortization of discount	10,418	10,671
Balance as at 30 June (unaudited)	589,244	580,564

* Cash proceeds and repayments of certain borrowings obtained by the Fund are included within cash flows from operating activities in the separate statement of cash flows, because these borrowings are part of the Fund's main activity of assets management.

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

15. OTHER LIABILITIES

<i>In millions of tenge</i>	30 June 2022 (unaudited)	31 December 2021 (audited)
Liabilities on financing of other social projects:	45,104	52,755
Construction of the Center of the Kazakh Gymnastics Federation in Nur-Sultan city	18,000	18,000
Construction of the National Coordination Center for Emergency Medicine in the city of Nur-Sultan for 200 beds and the National Scientific Center for Infectious Diseases in the city of Almaty for 350 beds	11,004	26,255
Construction of family rest park in Nur-Sultan city	8,500	8,500
Development of Kazakhstani professional sports, elite sports, physical education and sports	7,600	-
Other liabilities	2,441	2,666
Total amount of other current liabilities	47,545	55,421

Liabilities to finance other social projects

For the six months ended June 30, 2022 on the basis of the Shareholder’s resolutions the Fund recognized liabilities to finance various social projects for total amount of 24,000 million tenge (for the six months ended June 30, 2021: 29,585 million tenge) (Note 12). The recognition of liabilities was accounted for as other distributions to the Shareholder.

For the six months ended June 30, 2022 actual amount of financing totaled 31,650 million tenge (for the six months ended June 30, 2021: 47,649 million tenge).

16. FINANCIAL GUARANTEE LIABILITIES

As at June 30 the financial guarantee liabilities comprised the following:

<i>In millions of tenge</i>	2022	2021
As at 1 January (audited)	53,588	43,427
Guarantees issued during the year	11,276	10,785
Amortization of financial guarantee liabilities	(2,638)	(4,444)
As at 30 June (unaudited)	62,226	49,768
Less: current portion	(5,991)	(4,519)
Non-current portion	56,235	45,249

Financial guarantee liabilities include the Fund’s liabilities on guarantees issued to financial institutions for financing activities and significant contracts of its subsidiaries and joint venture (Notes 5 and 6). The main part of the guarantee agreements is concluded on the condition that there is no compensation to the Fund. Total outstanding amount of guarantees as at 30 June 2022 is 2,003 million US dollars and 157,085 million tenge (31 December 2021: 1,884 million US dollars and 155,873 million tenge, respectively).

17. INTEREST INCOME

Interest income comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Unwinding of discount on loans issued	21,275	19,875
Interest on bonds	19,733	19,493
Interest on loans issued	5,956	6,037
	46,964	45,405

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

18. INTEREST EXPENSES

Interest expenses comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Interest on bonds issued and borrowings	20,791	20,887
Unwinding of discount on financial liabilities	11,283	11,482
	32,074	32,369

19. DIVIDEND INCOME

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
“National Company “KazMunayGas” JSC	180,847	45,212
“National Atomic Company “Kazatomprom” JSC	170,541	112,561
“National Mining Company “Tau-Ken Samruk” JSC	88,819	45,537
“Kazakhstan Electricity Grid Operating Company” JSC	11,899	17,552
“Samruk-Energy” JSC	2,041	3,242
“Kazakhtelecom” JSC	–	9,642
Other subsidiaries	3,920	1,318
	458,067	235,064

During the six months ended 30 June 2022, the Fund received dividends in the amount of 258,086 million tenge (for the six months ended June 30, 2021: 120,096 million tenge).

20. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Sponsorship and charity	3,213	4,991
Personnel costs	1,271	1,356
Other	4,440	6,425
	8,924	12,772

Sponsorship and charity

The Fund on an annual basis makes target donations in accordance with its Charity program. The target charity transfers were provided for financing the number of projects implemented through a single Operator – Corporate Fund “Samruk-Kazyna Trust”.

Other

Other expenses include other administrative expenses, including the compensation to the members of the management body – the Board of Directors of 143 million tenge (for the six months ended June 30, 2021: 171 million tenge), transfers to subordinate organizations to sustain the operating activities of 678 million tenge (for the six months ended June 30, 2021: 352 million tenge) and other administrative expenses for maintaining operating activities of the Fund.

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

21. FINANCE INCOME

Finance income comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Income on “reverse repo” transactions and notes of the National Bank of the Republic of Kazakhstan	7,169	93
Income from financial guarantees	2,775	4,444
Interest on bank deposits	1,918	2,669
Discount on borrowings	1,905	4,548
Interest on current bank accounts	107	88
Amortisation of discount on financial assets	5	155
Other	-	71
	13,879	12,068

22. FINANCE EXPENSES

Finance expenses comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Unwinding of discount on borrowings	23,784	17,239
Interest on bank loans	9,923	5,435
Other	-	409
	33,707	23,083

23. LOSS ON DISPOSAL OF INVESTMENT IN JOINT VENTURE, NET

On June 13, 2022, the Fund realized 49.5% share in “Kazakhstan Petrochemical Industries Inc.” LLP, obtained by reducing the authorized capital of “Samruk-Kazyna Odeu” LLP (Note 5) in favour of National Company “KazMunayGas” JSC for a total amount of 91,175 million tenge. As a result of the sale and purchase transaction, the Fund recognized a net loss on disposal of investment in joint venture in the amount of 790 million tenge in the separate statement of comprehensive income.

24. INCOME TAX EXPENSES

Income tax expenses comprised the following:

<i>In millions of tenge</i>	For the six months ended June 30, 2022 (unaudited)	For the six months ended June 30, 2021 (unaudited)
Withholding tax expense	1,112	1,258
	1,112	1,258

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

25. RELATED PARTY TRANSACTIONS

The following tables provide the total amount of transactions that have been entered into with related parties during the six months ended June 30, 2022 and 2021 and balances as at June 30, 2022 and December 31, 2021:

<i>In millions of tenge</i>		Amounts from related parties	Amounts due to related parties	Cash and deposits placed with related parties
	June 30, 2022 (unaudited)	863,276	476,024	10,000
Subsidiaries	December 31, 2021 (audited)	617,809	520,818	-
	June 30, 2022 (unaudited)	5,035	-	-
Associates and joint ventures of subsidiaries	December 31, 2021 (audited)	5,320	-	-
	June 30, 2022 (unaudited)	176	-	-
Joint ventures	December 31, 2021 (audited)	-	-	-
	June 30, 2022 (unaudited)	151,106	660,157	45,171
Other entities controlled by the Government	December 31, 2021 (audited)	148,156	652,199	34,660

As at June 30, 2022 and December 31, 2021 amounts from related parties include other account receivable, loans and finance lease receivables, amounts due to related parties include account payable, borrowings, the Fund’s liabilities on guarantees issued to financial institutions for financing activities and significant contracts of its subsidiaries and related parties.

<i>In millions of tenge</i>		Dividend income	Purchases from related parties	Revenue from sales to related parties
	June 30, 2022 (unaudited)	458,067	1,352	91,259
Subsidiaries	June 30, 2021 (unaudited)	235,064	2,846	505

<i>In millions of tenge</i>		Interest accrued to related parties	Interest incurred to related parties	Finance income accrued to related parties	Finance expenses incurred to related parties
	June 30, 2022 (unaudited)	22,366	2,778	1,919	23,784
Subsidiaries	June 30, 2021 (unaudited)	20,507	2,724	4,548	16,524
	June 30, 2022 (unaudited)	236	-	-	-
Associates and joint ventures of subsidiaries	June 30, 2021 (unaudited)	252	-	-	-
	June 30, 2022 (unaudited)	4,136	22,448	346	-
Other entities controlled by the Government	June 30, 2021 (unaudited)	4,481	22,767	31	-

Total compensation to key management personnel included in general and administrative expenses in the accompanying interim separate statement of comprehensive income was equal to 239 million tenge for the six months ended June 30, 2022 (for the six months ended June 30, 2021: 262 million tenge), The indicated amount includes the compensation to the members of the Management Board, in the total amount of 143 million tenge for the six months ended June 30, 2022 (for the six months ended June 30, 2021: 171 million tenge).

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund’s principal financial liabilities consist of borrowings from credit institutions and the Government, bonds issued, financial guarantees and other accounts payable. The main purpose of these financial instruments is to raise financing for the Fund’s operations. The Fund’s financial assets comprise loans issued to subsidiaries and credit institutions, bank deposits, other financial assets, other accounts receivable, bonds and government securities acquired, cash and cash equivalents arising directly from its operating activity.

The Fund is exposed to market risk, interest rate risk, credit risk, currency risk and liquidity risk.

Fair value of financial instruments

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

- Level 1: quoted market prices in active markets (unadjusted) 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 in the market, either directly or indirectly.
- Level 3: techniques in which inputs used which have a significant effect on the recorded fair value that is not based on observable market data.

The carrying (current) amount of the financial instruments of the Fund as at June 30, 2022 and December 31, 2021 is a reasonable estimate of their fair value except for the financial instruments presented below:

	June 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)	
<i>In millions of tenge</i>					
Financial assets					
Amounts due from credit institutions (Note 8)	436,815	414,870	-	414,870	-
Loans with fixed interest rate and finance lease receivables (Note 7)	790,955	716,046	-	654,390	61,656
Financial liabilities					
Borrowings (Note 13)	1,070,293	1,023,664	203,462	820,202	-
Loans from the Government of the Republic of Kazakhstan (Note 14)	589,244	386,277	-	386,277	-
Financial guarantee liabilities (Note 16)	62,226	151,324	-	151,324	-

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

<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					
Amounts due from credit institutions (Note 8)	408,652	394,175	–	394,175	–
Loans with fixed interest rate and finance lease receivables (Note 7)	741,421	679,825	–	614,270	65,555
Financial liabilities					
Borrowings (Note 13)	1,099,014	1,087,627	213,293	874,334	–
Loans from the Government of the Republic of Kazakhstan (Note 14)	579,369	374,861	–	374,861	–
Financial guarantee liabilities (Note 16)	53,588	49,606	–	49,606	–

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2022.

The fair value of the above financial instruments was estimated by discounting the expected future cash flows at prevailing interest rates.

27. SEGMENT REPORTING

Operating segments at the consolidated level are determined based on the type of the produced goods and services provided in different markets. For management purposes, the Group has six reportable segments: oil-and-gas and petrochemical segment, mining, transportation, communication, energy, industrial. The Management Board is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment disclosures are presented in Note 37 to the consolidated financial statements for the three and six months ended June 30, 2022 in accordance with IFRS 8.

28. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

The Fund assesses the probability of occurrence of material liabilities and reflects the corresponding reserve in interim condensed separate financial statements only when there is a reasonable probability that the events leading to the occurrence of the obligation will occur and the amount of the corresponding liability can be reliably determined. In this interim condensed separate financial statement, there was no provision for any contingent liabilities.

The Funds’s commitments and contingencies are disclosed in the annual financial statements for the year ended December 31, 2021; there were no new material contractual commitments during the six months ended June 30, 2022.

Legal proceedings

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

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

28. COMMITMENTS AND CONTINGENT LIABILITIES (continued)**Legal proceedings (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 arbitral award in Netherlands 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 18 December 2020, the Supreme Court quashed the decision of the Amsterdam Court of Appeal from 7 May 2019 to uphold the arrest. The Court of Appeal in Hague started on 4 April 2022.

On June 14, 2022, the Court of Appeal in The Hague made a decision on lifting the Pre-judgement Attachment in respect of the KMG Kashagan B.V. shares and cancellation of decision of Amsterdam Court dated January 5, 2018 according to which the Pre-judgement Attachment in respect of the KMG Kashagan B.V. shares was remained effective.

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.

Currently, the Fund makes all necessary arrangements to protect its interest in accordance with the established procedure and will continue to defend its rights and legally protected interests.

29. SUBSEQUENT EVENTS**Share capital**

On July 1, 2022, one placed share of the Fund was registered in favour of the previously received property. The amount of 239 million was reclassified from additional paid-in capital to the share capital of the Fund.

Dividends

In July 2022 Fund received dividends from subsidiaries “National Atomic Company “KazAtomProm” JSC, “National Mining Company “Tau-Ken Samruk” JSC, “Samruk-Kazyna Construction” JSC and joint venture “KMG Kashagan B.V.” PLLC in the amount of 170,541 million tenge, 27,409 million tenge, 2,031 million tenge and 567 million US dollars, respectively.

Borrowings

In July 2022 the Fund made full early redemption of principal of loan from “First Heartland Jusan Bank” JSC in the amount of 40 million US dollars and loan from “Halyk Bank” JSC in the amount of 40 million US dollars.

Investment in subsidiaries and joint ventures

On September 12, 2022, the Fund concluded the sale and purchase agreement of 50% share in the authorized capital of “PGU Turkestan” LLP with “National company “QazaqGaz” JSC. On September 15, 2022, the Fund's ownership rights on 50% share in the authorized capital of “PGU Turkestan” LLP were registered.

On September 15, 2022, the Fund sold 50% share in “KMG Kashagan B.V.” PLLC in favor of Cooperative KazmunaiGaz U.A for a 3.8 billion US dollars.