



аудиторская фирма

FINANCIAL STATEMENTS

**JOINT STOCK COMPANY
«National Company KAZAKH INVEST»**

**For the reporting period ending December 31, 2021.
with the report of independent auditors**

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MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR THE PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS

The following statement, which should be read in conjunction with the independent auditors' responsibilities stated in the independent auditor's report set out below, is made with a view to distinguishing the respective responsibilities of management and those of National Company KAZAKH INVEST JSC in relation to the financial statements of National Company KAZAKH INVEST JSC for the year ended December 31, 2021.

The management of National Company KAZAKH INVEST JSC (hereinafter – the Company) is responsible for the preparation of the financial statements that present fairly the financial position of the Company on December 31, 2021, and the results of its operations, cash flows and changes in equity for the year then ended, in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements, management is responsible for:

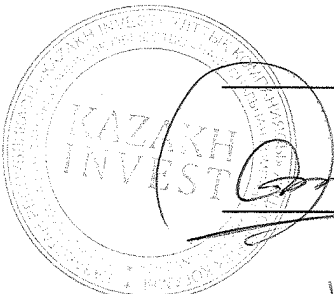
- selecting appropriate accounting principles and applying them consistently;
- the application of reasonable estimates and calculations;
- complying with IFRS requirements or disclosing any material departures from IFRS in the notes to the financial statements;
- preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business for the foreseeable future;
- developing, implementing and maintaining an effective and reliable system of internal controls of the Company;
- maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable the Company to ensure that its financial statements comply with IFRS;
- keeping of accounting records in accordance with the legislation of the Republic of Kazakhstan;
- taking measures within its competence to protect the assets of the Company;
- detecting and preventing fraud and other irregularities.

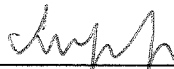
These financial statements for the year ended December 31, 2021, have been approved by management within the Company's authority for issuance on March 18, 2022.


Chairman of the Board

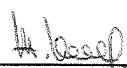
Financial Director

Chief Accountant




M. Yusupov


T. Ashykhatov


N. Zhumageldinova

ТОВАРИЩЕСТВО С ОГРАНИЧЕННОЙ
ОТВЕТСТВЕННОСТЬЮ
«ФИРМА «КОКТЕМ-АУДИТ»
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ул. Бухар Жирау, д. 12, оф. 15
тел/факс: +7 (727) 377 55 27
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ЖАУАПҚЕРШІЛІГІ ШЕКТЕУЛІ
СЕРІКТЕСТЕГІ
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Director of "Firm "Koktem - Audit" LLP»

(State Audit License No. 000155 issued on October, 12 2000)

Yesmagambetova M.
25 March 2022



To the shareholders and Management of the Joint Stock Company
«National Company KAZAKH INVEST»

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of Joint stock company «National Company KAZAKH INVEST» consisting of Finance report on the situation on 31 December 2021 year statement of comprehensive income, statement of cash flows and statement of changes in equity for the period ending on that date, and a summary of significant accounting policies and other explanatory notes, prepared in accordance with International financial reporting standards.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Joint Stock Company «National Company KAZAKH INVEST» as at 31 December 2021, and its financial performance and cash flows for the year then ended in accordance with International financial reporting standards (IFRS).

The basis for expressing an opinion

We conducted our audit in accordance with International standards on auditing (ISA). Our responsibilities under those standards are further described in the auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the organization in accordance with the Code of ethics for professional accountant and we are required to comply with the requirements of the international ethics standards Board for accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements management is responsible for the assessment of the ability Ofthe company to continue its operations continuously, for the disclosure of appropriate information related to continuity of operations, and for reporting the assumption of continuity of activities, except for cases when management intends to liquidate the organization to cease its activities or when it does not have any other real alternative other than liquidation or termination of activities.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with International standards on auditing will always detect a material misstatement, if any. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they can reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with International standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition, we do the following:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may include collusion, forgery, intentional omission, misrepresentation, or acts that circumvent internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- we conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether there is a material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we should draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inappropriate, modify our opinion. Our conclusions are based on audit evidence obtained prior to the date of our audit report. However, future events or conditions may cause the Company to lose its ability to continue operating continuously;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence relevant to the entity's financial information or internal activities to Express an opinion on the financial statements. We are responsible for the management, control and audit of the Company. We remain fully responsible for our audit opinion.

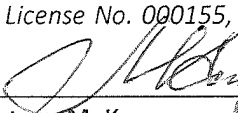
We communicate with those charged with governance, including, but not limited to, the planned scope and timing of the audit, as well as significant audit findings, including significant deficiencies in internal control that we identify during the audit.

We also provide those charged with governance with a statement that we have complied with all relevant ethical requirements regarding independence and have informed those persons of all relationships and other matters that may reasonably be considered to affect the auditor's independence, and, where appropriate, of appropriate safeguards.


Esmagambetova Mira K.
Certified Auditor
of the Republic of Kazakhstan
Auditor's Qualification Certificate
No. MF-0000338 of September 30, 1997

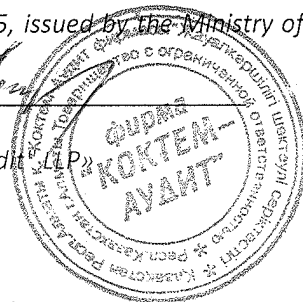
«Koktem – Audit» Firm» LLP

State Audit License No. 000155, issued by the Ministry of Finance of the Republic of Kazakhstan on October 12, 2000


Esmagambetova M. K.
Director of "Firm "Koktem - Audit" LLP

25 March 2022 y.

Nur-Sultan, Republic of Kazakhstan



STATEMENT OF FINANCIAL POSITION

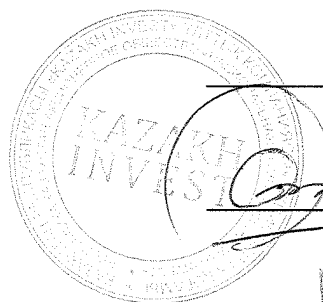
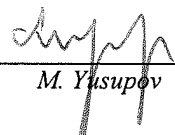
On December 31, 2021

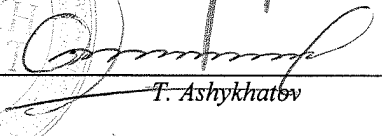
<i>In thousands of Kazakhstani tenge</i>	<i>Note</i>	<i>December 31, 2021</i>	<i>December 31, 2020</i>
Assets			
Non-current assets			
Property, plant and equipment	4	34.678	16.507
Intangible assets	5	65.784	90.012
Financial assets measured at amortized cost	6	109.100	100.146
Deferred tax assets	7	11.139	13.427
Total non-current assets		220.701	220.092
Current assets			
Inventories	8	4.925	2.841
Advances paid	9	4.830	6.418
Other current assets	10	12.242	979
Short-term deposits	11	-	240.000
Cash and cash equivalents	12	1.002.665	571.976
Current income tax assets	13	24.389	197.448
Interest receivable		309	899
Total current assets		1.049.360	1.020.561
Total assets		1.270.061	1.240.653
Equity and liabilities			
Equity			
Share capital		2.828.770	2.828.770
Retained earnings (uncovered loss) of the reporting year		120.232	3.510
Retained earnings (uncovered loss) of previous years	25	(2.110.307)	(2.111.360)
Total equity		838.695	720.920
Non-current liabilities			
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Current liabilities			
Accounts payable	14	27.586	89.150
Other taxes payable	15	303.823	349.824
Payables to employees	16	73.808	69.243
Other current liabilities	17	26.149	11.516
Total current liabilities		431.366	519.733
Total liabilities		431.366	519.733
Total equity and liabilities		1.270.061	1.240.653

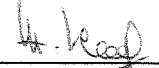
Chairman of the Board

Financial Director

Chief Accountant



 M. Yusupov


 T. Ashykhmatov


 N. Zhumageldinova

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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December 31, 2021

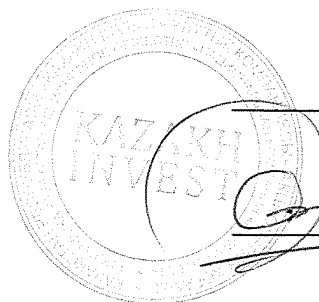
In thousands of Kazakhstani tenge

	Note	2021	2020
Revenue	18	2.565.062	1.877.774
Cost of goods sold	19	(2.058.695)	(1.485.986)
Gross profit		506.367	391.788
Administrative expenses	20	(359.346)	(397.411)
Other (expenses)/income, net	21	(30.887)	1.307
Recovery of expenses/(expenses) on expected credit losses	22	9.485	(12.837)
Positive/(negative) foreign exchange difference, net		687	13.132
Profit/(loss) from operating activities		126.306	(4.021)
Financial income	23	40.723	11.686
Discount on financial assets measured at amortized cost, net	6	8.954	8.197
Income from disposal of property, plant and equipment	4	4.380	-
Profit/(loss) before tax		180.363	15.862
Income tax expense	7	(60.131)	(12.352)
Profit for the year		120.232	3.510
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		120.232	3.510
Earnings per 1 ordinary share (thousand tenge/1 share)		0.425	0.012

Chairman of the Board

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Chief Accountant



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T. Ashykhatov

N. Zhumageldinova

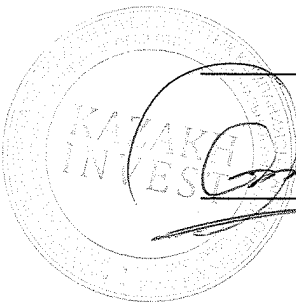
STATEMENT OF CASH FLOWS**For the year ended December 31, 2021**

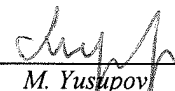


<i>In thousands of Kazakhstani tenge</i>	Note	2021	2020
Operating activities			
Receipts from services rendered		2.872.869	2.103.108
Interest received		35.248	13.971
Payments to suppliers		(1.177.870)	(640.682)
Salary payments		(887.675)	(821.611)
Payments to the budget		(345.350)	(342.407)
Income tax payments		(76.574)	(17.080)
Other (payments)/ receipts, net		(213.187)	(183.458)
Net cash flows from operating activities		207.461	111.841
Investing activities			
Purchase of property, plant and equipment		(24.015)	(1.156)
Acquisition of intangible assets		-	(1.080)
Sale of property, plant and equipment		4.946	-
Withdrawal/(placement) of deposits, net		240.000	(40.001)
Net cash flows (used in)/received from investing activities		220.931	(42.237)
Financing activities			
Contributions to share capital		-	-
Payment of dividends	25	(2.457)	-
Net cash flows from financing activities		(2.457)	-
Net change in cash and cash equivalents		425.935	69.604
Effect of exchange rate changes		(6.866)	(1.846)
Recovery/(recognition) of provision for impairment losses	12	11.620	(12.837)
Cash and cash equivalents at the beginning of the year		571.976	517.055
Cash and cash equivalents at the end of the year	13	1.002.665	571.976

Chairman of the Board

Financial Director

Chief Accountant




M. Yusupov

T. Ashykhmatov

N. Zhumageldinova

STATEMENT OF CHANGES IN EQUITY

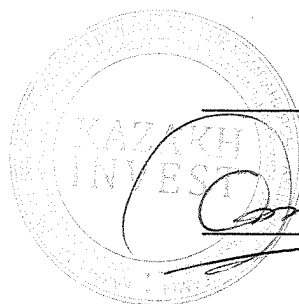
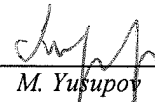
For the year ended December 31, 2021

<i>In thousands of Kazakhstani tenge</i>	Share capital	Retained earnings/ (uncovered loss)	Total equity
On January 1, 2020	2.828.770	(2.111.360)	717.410
Profit for the year	-	3.510	3.510
On December 31, 2020	2.828.770	(2.107.850)	720.920
Profit for the year	-	120.232	120.232
Payment of dividends	-	(2.457)	(2.457)
On December 31, 2021	2.828.770	(1.990.075)	838.695

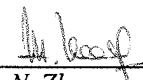
Chairman of the Board

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Chief Accountant



 M. Yusupov


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NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

1. COMPANY INFORMATION

In accordance with the Decree of the Government of the Republic of Kazakhstan No. 775 dated August 1, 2003 under the Ministry of Economy and Budget Planning of the Republic of Kazakhstan Center for Marketing and Analytical Studies JSC (hereinafter - CMAS JSC) was established. In connection with the necessity of creation of the institute of service support of the export of non-materials on November 14, 2007 by the decision of the Board of Directors of Kazyna FUR JSC on the basis of CMAS JSC was created Export Development and Promotion Corporation JSC, which since September 11, 2008 pursuant to the decision of the Board of Directors of Kazyna JSC became known as KAZNEX Corporation for Export Development and Promotion (hereinafter – the Corporation). Following the transfer of shares of the Corporation into state ownership and the assignment of the right of ownership and use to the Ministry of Industry and Trade of the Republic of Kazakhstan, the Corporation was transformed into KAZNEX INVEST National Export and Investment Agency JSC (hereinafter, KAZNEX INVEST) on April 2, 2010. Subsequently, in accordance with Decree of the Government of the Republic of Kazakhstan No.100 On the renaming of KAZNEX INVEST National Agency for Exports and Investments Joint Stock Company dated March 1, 2017, KAZNEX INVEST was renamed to National Company KAZAKH INVEST Joint Stock Company (hereinafter – the Company).

The founder of the Company is the Government of the Republic of Kazakhstan represented by the State Institution Committee for State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan.

The Decree of the President of the Republic of Kazakhstan No. 806 On measures to further improve the public administration system of the Republic of Kazakhstan dated December 26, 2018, transferred the rights of ownership and use of the Company's shareholding to the State Institution Ministry of Foreign Affairs of the Republic of Kazakhstan.

The Company was established in order to promote sustainable social and economic development of the Republic of Kazakhstan by attracting foreign investment in priority sectors of the economy and comprehensive support of investment projects.

Society fulfills a role:

- A single negotiator on behalf of the Government of the Republic of Kazakhstan in discussing the prospects and terms of implementation of investment projects.
- One-stop shop for investors on issues of public services, including the provision of measures of state support to investors in the form of investment preferences, assistance in obtaining various permits required for the implementation and further operation of investment projects.

The legal address of the Company: 55/20, Mangilik El Avenue, Nur-Sultan, 010000, Republic of Kazakhstan.

According to the constituent documents, the management bodies of the Company are:

- Supreme governing body - the Sole Shareholder;
- Supervisory body - the Board of Directors;
- Executive body - the Management Board.

The Company has representative offices in Almaty (Republic of Kazakhstan) and Beijing (People's Republic of China).

These financial statements of the Company were approved for issue by the Chairman of the Board, the Financial Director and the Chief Accountant on March 18, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation of financial statements**

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention except as disclosed in the notes to these financial statements. The financial statements are presented in Kazakhstani tenge and all amounts are rounded to the nearest thousand, except where otherwise indicated. These financial statements present comparative information for the previous period.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

New standards, interpretations and amendments to existing standards and interpretations

The current accounting policy of the Company was approved on September 25, 2014, it does not take into account changes and/or new standards in IFRS, which came into force after the date of its approval, but the Company has a draft accounting policy, which was developed during 2021 and the issue of approval of which was included in the work plan of the Board of Directors of the Company in April 2022. These draft accounting policies have been applied in the annual financial statements for the year ended December 31, 2021 and are consistent with IFRS as applied in the previous reporting year, except for the new revisions of standards adopted below, which became effective January 1, 2021. The Company has not early adopted any other standards, interpretations or amendments that were issued but are not yet effective.

In 2021, certain amendments to the standards were applied for the first time, which had no impact on the Company's financial statements:

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current;
- Amendments to IAS 1 and Practice Statement No. 2 on the Application of IFRS – Accounting Policy Disclosures;
- Amendments to IFRS 3 – References to the Conceptual Framework;
- Amendments to IAS 8 – Definition of Accounting Estimates ;
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16 – Interest Rate Benchmark Reform - Phase II;
- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendments to IFRS 16 – Covid-19-Related Rent Concessions beyond 30 June 2021;
- Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before Intended Use;
- IFRS 17 – Insurance Contracts;
- Amendments to IAS 37 – Onerous Contracts - Cost of Fulfilling a Contract.

Foreign currency translation

The financial statements are presented in Kazakhstani tenge, which is the functional currency and presentation currency of these financial statements of the Company. Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All exchange differences are included in the separate statement of profit or loss and other comprehensive income.

Currency exchange rates

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

The KASE exchange rate was 431.80 tenge per 1 US dollar on December 31, 2021 (on December 31, 2020: 420.91 tenge per 1 US dollar). This exchange rate was used to translate the Company's monetary assets and liabilities on December 31, 2021 and 2020.

Classification of assets and liabilities as current and non-current

The Company presents assets and liabilities based on their classification as current and non-current in the separate statement of financial position. An asset is current if:

- it is supposed to be realized or it is intended for sale or consumption within the normal operating cycle;
- it is intended primarily for trading purposes;
- it is supposed to be implemented within twelve months after the end of the reporting period; or
- it represents cash or cash equivalents, unless there are restrictions on its exchange or use to pay off obligations for at least twelve months after the end of the reporting period.

All other assets are classified as non-current.

Liabilities are current, if:

- it is supposed to be extinguished within the normal operating cycle;

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

- it is held mainly for trading purposes;
- it is repayable within twelve months after the end of the reporting period; or
- the Company does not have an unconditional right to defer repayment of the obligation for at least twelve months after the end of the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, net of discounts and other taxes. The following criteria must be met for revenue recognition in the financial statements:

Provision of services

Revenue from services rendered is recognized at the time the services are rendered based on the stage of completion of the services.

Financial income

Income is recognized as interest accrues (using the effective interest method, which brings the expected future cash flows over the expected life of the financial instrument to the net carrying amount of the financial asset).

Expense recognition

Expenses are recognized when incurred and are reported in the financial statements in the period to which they relate on the accrual basis.

Taxes*Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax

Deferred tax assets and liabilities are calculated in respect of all temporary differences using the liability method on all temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred income tax assets and liabilities can be offset when there is a legally enforceable right to offset current tax assets against current tax liabilities.

Property, plant and equipment

Property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses, if any.

The cost of purchased property, plant and equipment consists of the purchase price or any costs directly attributable to bringing the asset into working condition and the initial estimate of the costs of disposing of the asset, if necessary. The purchase price is the aggregate amount paid and/or the fair value of any consideration given to acquire the asset.

Item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any profit or loss arising on derecognition of the asset (calculated as the difference between the

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income in the period the asset is derecognized.

Useful life of property, plant and equipment

Depreciation is charged on the carrying amount of property, plant and equipment, except for land and construction in progress, to write off assets to their estimated useful lives. Depreciation is calculated on a straight-line basis at the following annual approved rates:

Furniture	7-10 years
Vehicles	7-15 years
Computer equipment	4-5 years
Office equipment and other property, plant and equipment	7-14 years

The Company evaluates the remaining useful lives of property, plant and equipment at least at each financial year-end and, if expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Lease

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. An arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset (or assets) and the right to use the asset or assets in the arrangement is transferred from one party to another, even if that asset (or assets) is (are) not explicitly specified in the arrangement.

Company as lessee

Leases are classified as either financial or operational leases at the inception of the lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as financial leases.

Operational leases are defined as leases other than finance leases. Payments made under operating leases are recognized as operating expenses in the statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease.

Financial instruments – Initial recognition and subsequent measurement

Financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial assets*Initial recognition and measurement*

Financial assets are classified at initial recognition as subsequently measured at amortized cost, at fair value through other comprehensive income (FVOCI), and at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset and the Company's business model for managing the asset. With the exception of trade receivables which do not contain a significant financing component or for which the Company has applied a practical expedient, the Company initially measures financial assets at fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, are measured at the transaction price determined in accordance with IFRS 15.

The contractual terms of the asset require that cash flows that are "solely payments of principal and interest" on the principal outstanding must be obtained before the financial asset can be classified and measured at amortized cost or at fair value through other comprehensive income. This assessment is called the SPPI test and is performed at the level of each instrument.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

The business model used by the Company to manage its financial assets describes the manner in which the Company manages its financial assets in order to generate cash flows.

The business model determines whether the cash flows will result from the receipt of contracted cash flows, the sale of financial assets, or both.

All purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or market convention (regular way trades) are recognized on the trade date, which is the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into three categories:

- financial assets measured at amortized cost (debt instruments);
- financial assets at fair value through other comprehensive income (OCI) with subsequent reclassification of accumulated profits and losses (debt instruments);
- financial assets at fair value through profit or loss.

Financial assets measured at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets measured at amortized cost are subsequently measured using the effective interest method and impairment requirements apply. Profits or losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company classifies loans to a related party and third parties included in non-current financial assets measured at amortized cost; and receivables and held-to-maturity investments included in short-term financial assets measured at amortized cost as financial assets measured at amortized cost.

Financial assets at fair value through other comprehensive income (debt instruments)

The Company measures debt instruments at fair value through other comprehensive income when both of the following conditions are met:

- the financial asset is held within a business model whose objective is to collect the contractual cash flows and sell the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

For debt instruments measured at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals of such losses are recognized in the statement of profit or loss and are calculated in the same way as for financial assets measured at amortized cost. Remaining changes in fair value are recognized in other comprehensive income. On derecognition, the cumulative amount of changes in fair value recognised in other comprehensive income is reclassified to profit or loss. The Company does not have any debt instruments measured at fair value through other comprehensive income on December 31, 2021.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition as at fair value through profit or loss, or financial assets designated at fair value through profit or loss on a mandatory basis. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Financial assets whose cash flows do not represent solely payments of principal and interest are classified and measured at fair value through profit or loss irrespective of the business model used. Notwithstanding the criteria for classifying debt instruments as measured at amortized cost or at fair value through other comprehensive income as described above, the Company may elect to classify debt instruments as at fair value through profit or loss upon initial recognition if such classification eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss and other comprehensive income.

This category includes investments in quoted equity and debt instruments that the Company, at its discretion, has not designated as at fair value through other comprehensive income. Dividends on quoted equity instruments are recognized as financial income in the statement of profit or loss when the right to receive the dividend is established.

Derecognition

Financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., excluded from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full to a third party; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses at each reporting date whether a financial asset or group of financial assets is impaired.

The Company recognizes an allowance for expected credit losses (ECL) on all financial instruments. The ECL are calculated based on the difference between the cash flows due under the contract and all cash flows the Company expects to receive, discounted using the original effective interest rate or its approximate value. Expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are an integral part of the contractual terms.

ECL are recognized in two stages. For financial instruments where credit risk has not increased significantly since initial recognition, an allowance is made for credit losses that may arise from defaults over the next 12 months (12-month expected credit losses). For financial instruments where credit risk has increased significantly since initial recognition, an allowance is made for credit losses that may occur over the remaining term of the financial instrument, irrespective of when the default occurs (lifetime expected credit losses).

The Company considers a simplified approach for the calculation of the ECL with respect to accounts receivable and assets under the contract. Consequently, the Company does not monitor changes in credit risk, but instead, at each reporting date, if there are receivables, will recognize a loss allowance equal to the expected credit losses for the entire term.

The Company considers a financial asset to be in default if contractual payments are overdue by 90 days. However, in certain cases the Company may also conclude that a financial asset is in default if internal or external information indicates that it is unlikely that the Company will receive, without consideration of credit enhancement mechanisms that the Company holds, the entire amount of remaining contractual payments. Financial asset is written off if the Company has no reasonable expectation of recouping contractual cash flows.

*Financial liabilities**Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, respectively.

All financial liabilities are recognized initially at fair value less, in the case of loans and borrowings and payables, directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities designated at the Company's option at initial recognition as at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated in this category at the date of initial recognition, and only if the criteria in IFRS 9 are satisfied. The Company does not have any financial liabilities designated at fair value through profit or loss.

Accounts payable and loans

After initial recognition, accounts payable and loans are measured at amortized cost using the effective interest method. Profits and losses on such financial liabilities are recognized in profit or loss when they are derecognized as well as when they are amortized using the effective interest rate method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The EIR amortization is included in finance costs in the statement of profit or loss and other comprehensive income.

Derecognition

Financial liabilities are derecognized when the obligation is discharged, cancelled, or expires. If an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

Offset of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Inventories

Inventories are valued at the lower of cost or net realizable value.

The costs incurred in transporting each product to its destination and bringing it into proper condition are accounted for as follows:

- raw materials and supplies - purchase costs using the weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs to sell.

Advances paid

Advances paid are recognized in the financial statements at the value of the amounts paid.

Advances paid are classified as non-current when the goods or services relating to the advance are expected to be obtained after one year, or when the advance relates to an asset which will be recognized as non-current upon initial recognition. The amount of the prepayment for the acquisition of an asset is included in its carrying amount when the Company obtains control over the asset and it is probable that future economic benefits associated with the asset will flow to the Company. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognized in the statement of profit or loss and other comprehensive income for the year.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position include cash at banks, short-term deposits with a maturity of three months or less, which are subject to insignificant risk of changes in value.

Estimated liabilities***General***

Estimated liabilities are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the Company expects to recover some or all of the

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

estimated liability, the recovery is recognized as a separate asset, but only when the recovery is virtually certain. The expense relating to the estimated liability is presented in the statement of profit or loss and other comprehensive income net of any recoveries.

Provisions

Provisions are recognized in the financial statements when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the recovery is indisputable.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a financial expense.

Events after the reporting date

Events occurring after the end of the reporting year that provide evidence of conditions that existed at the reporting date (adjusting events) are reflected in the financial statements. Events occurring after the end of the reporting year that are not adjusting events are disclosed in the notes to the financial statements if they are material.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

4. PROPERTY, PLANT AND EQUIPMENT

<i>In thousands of Kazakhstani tenge</i>	Equipment and computers	Vehicles	Other	Total
Residual value on December 31, 2019	19.119	2.001	5.839	26.959
Initial cost	60.882	5.216	16.555	82.653
Accumulated depreciation	(41.763)	(3.215)	(10.716)	(55.694)
Receipts	260	-	896	1.156
Disposals	(136)	-	-	(136)
Depreciation on disposals	136	-	-	136
Depreciation for the year	(8.952)	(521)	(2.135)	(11.608)
Residual value on December 31, 2020	10.427	1.480	4.600	16.507
Initial cost	61.006	5.216	17.451	83.673
Accumulated depreciation	(50.579)	(3.736)	(12.851)	(67.166)
Receipts	27.300	-	-	27.300
Disposals	(54.254)	(5.216)	(8.982)	(68.452)
Depreciation on disposals	54.254	4.301	8.982	67.537
Depreciation for the year	(3.192)	(565)	(4.457)	(8.214)
Residual value on December 31, 2021	34.535	-	143	34.678

The planned stock-taking of the Company's property, plant and equipment revealed that the Company's balance contains fully depreciated property, plant and equipment, the use or retirement of which is not expected to bring any future economic benefits due to their physical deterioration, non-working condition and defects, which are not repairable. Therefore, the Company decided to write off the above property, plant and equipment.

Also, the Company sold a vehicle KIA Optima, 2013 year of manufacture, which is on the balance sheet through electronic trading platform www.gosreestr.kz Information and Accounting Center JSC of CPPC MF RK in accordance with the Regulations of electronic bidding for the sale of property on the web portal of the register of state property in September 2021. The vehicle was sold at market price – 5,819 thousand tenge, determined by an independent appraiser KazQuality Consulting Group LLP. Proceeds from the sale of the vehicle amounted to 5,293 thousand tenge, expenses for its disposal – 913 thousand tenge, net income from the disposal amounted to 4,380 thousand tenge.

5. INTANGIBLE ASSETS

<i>In thousands of Kazakhstani tenge</i>	
Residual value on December 31, 2019	123.083
Initial cost	170.723
Accumulated amortization	(47.640)
Receipts	1.080
Amortization for the year	(34.151)
Residual value on December 31, 2020	90.012
Initial cost	171.803
Accumulated amortization	(81.791)
Receipts	1.580
Disposals	(25.681)
Amortization on disposals	25.681
Amortization for the year	(25.808)
Residual value on December 31, 2021	65.784

The planned stock-taking of the Company's property, plant and equipment revealed that the Company has fully amortized intangible assets; due to the fact that the Company does not re-evaluate intangible assets after their initial recognition, the Company decided to write them off.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

6. FINANCIAL ASSETS MEASURED AT AMORTIZED COST

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Investments in quoted debt instruments	109.100	100.146
Total	109.100	100.146

Investments in listed debt instruments include corporate debt securities, namely coupon bonds of First Heartland Jusan Bank JSC (former Tsesnabank JSC), in amount of 309,096 tenge, with nominal value in issue currency – 1000 tenge, with a current coupon rate of 0.10% per annum and a circulation period till January 22, 2034.

Bonds are recorded at amortized cost, calculated using the refinancing rate set by the National Bank of Kazakhstan for 2019 (effective rate of 9.25%).

<i>In thousands of Kazakhstani tenge</i>	December 31, 2020
Nominal value of bonds	309.096
Discount, net	(208.950)
Book value of bonds	100.146

<i>In thousands of Kazakhstani tenge</i>	December 31, 2021
Nominal value of bonds	309.096
Дисконт, нетто	(199.996)
Book value of bonds	109.100

Income on discount recognition amounted to 8,954 thousand tenge for 2021 and 8,197 thousand tenge for 2020 and is recognized in the statement of profit or loss and other comprehensive income for the reporting period. Interest for 2021 and 2020 accrued at nominal interest rate and expected to be received on the reporting date amounted to 309 thousand tenge for each year.

7. DEFERRED TAX ASSETS

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Current income tax expense	52.035	-
Adjustment for current income tax of prior years	5.808	-
Deferred income tax expense	2.288	12.352
Total	60.131	12.352

Reconciliation of income tax expense calculated from accounting earnings before income taxes at the statutory income tax rate of 20% to income tax expense for 2021 is as follows:

<i>In thousands of Kazakhstani tenge</i>	Accounting base	Tax base	Difference	Tax rate	Balance of DTA/(DTL) on December 31, 2021
<i>Assets</i>					
Property, plant and equipment and intangible assets	100.462	79.908	(20.554)	20%	(4.111)
<i>Liabilities</i>					
Estimated liabilities	76.251	-	76.251	20%	15.250
Total					11.139

Deferred tax balances calculated by applying the statutory tax rates to temporary differences between the basis for calculating assets and liabilities and the amounts reported in the financial statements on December 31 include the following:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

In thousands of Kazakhstani tenge	On December 31, 2021	Reflected in profit and loss	On December 31, 2020
Deferred tax assets			
Property, equipment and intangible assets	(4.111)	(1.103)	(3.008)
Estimated liabilities	15.250	3.029	12.221
Current tax liabilities	-	(10.067)	10.067
Tax losses to be extended	-	5.853	(5.853)
Total	11.139	(2.288)	(13.427)

8. INVENTORIES

In thousands of Kazakhstani tenge	2021	2020
Raw materials and supplies	4.925	2.841
Provision for impairment of inventories	-	-
Total	4.925	2.841

Change in inventories in the reporting period:

Balance at the beginning of the period	2.841	6.232
Received	5.400	10.945
Written off	(3.316)	(14.336)
Balance at the end of the period	4.925	2.841

9. ADVANCES PAID

In thousands of Kazakhstani tenge	2021	2020
Advances paid	6.965	6.418
Provision for impairment of advances paid	(2.135)	-
Total	4.830	6.418

Advances issued were presented in the form of short-term advances to suppliers in the course of operating activities of the Company, including 2,135 thousand tenge paid under the contract for services of a foreign representative for attraction of investments to the Republic of Kazakhstan from the USA, concluded by the Company with Douglas Karl Ebert, a US citizen on December 31, 2021 and 2020. Since the services were not provided, the Company sent letters to Douglas Karl Ebert for the return of funds, but received no response, in connection with which the Company intends to initiate the issue of debt collection through the courts in accordance with the laws of the Republic of Kazakhstan. According to the assessment of legal support and procurement group of the Company, the probability of recovery is less than 50%, on the basis of which the Company created a provision for the impairment of the said advance in the amount of 2,135 thousand tenge.

10. OTHER CURRENT ASSETS

In thousands of Kazakhstani tenge	2021	2020
Advances on salaries	3.460	377
Debts on penalties for breach of contractual liabilities	99	-
Future expenses	8.683	602
Total	12.242	979

11. SHORT-TERM DEPOSITS

There were no short-term deposits on December 31, 2021. Short-term deposits were represented by a deposit of 240,000 thousand tenge placed by the Company with Sberbank JSC until July 22, 2021 with interest rate on deposit of 8.25% per annum (annual effective interest rate 8.6%) on December 31, 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

12. CASH AND CASH EQUIVALENTS

<i>In thousands of Kazakhstani tenge</i>	December 31, 2021	December 31, 2020
Term deposits in credit institutions with maturity up to 90 days in tenge	-	480.000
Current accounts in banks	1.674.996	775.771
Cash on hand	44	79
Cash in transit	-	121
Provision for ECL	(672.375)	(683.995)
Total	1.002.665	571.976

The movement in the provision for expected credit losses:

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Balance at the beginning	(683.995)	(671.158)
Current accounts	11.620	(12.837)
Balance at the end	(672.375)	(683.995)

The balance of expected credit losses at the beginning of 2021 and 2020 includes losses from impairment of the Company's cash placed with Bank Astana JSC in the amount of 671,158 thousand tenge. Liquidation Commission of Bank Astana JSC recognized the claims of the Company in full amount and included them into the 6th turn of the register of creditors' claims of the bank. The Company's claims to Bank Astana JSC have not been satisfied on the reporting date, December 31, 2021.

13. CURRENT TAX ASSETS

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Corporate income tax	20.310	196.703
Value added tax (deferred crediting)	877	155
Value added tax on behalf of non-residents	2.039	-
Other taxes and other obligatory payments to the budget	1.163	590
Total	24.389	197.448

14. ACCOUNTS PAYABLE

Accounts payable of the Company represented short-term payables to suppliers and individuals under civil law contracts and amounted to 27,586 thousand tenge on December 31, 2021 and 89,150 tenge on December 31, 2020, respectively.

15. OTHER TAXES PAYABLE

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Individual income tax	18.650	45.127
Value added tax on services rendered on the territory of the Republic of Kazakhstan	278.123	248.725
Social tax	7.050	50.337
Other taxes	-	5.635
Total	303.823	349.824

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

16. PAYABLES TO EMPLOYEES

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Salaries	7	8.137
Provision for unused vacations	73.801	61.106
Total	73.808	69.243

17. OTHER CURRENT LIABILITIES

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Liabilities for social contributions	1.059	968
Liabilities for social health insurance contributions	1.027	470
Liabilities for social health insurance deductions	851	771
Liabilities for pension contributions	17.676	8.535
Liabilities for enforceable obligations	299	-
Liabilities under short-term guarantees	2.787	772
Other short-term estimated liabilities	2.450	
Total	26.149	11.516

18. REVENUE

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Attraction and support of investors	1.156.234	925.361
Analysis and consulting on investment activities	880.863	734.243
Organization and carrying out investment activities	527.965	218.170
Total	2.565.062	1.877.774

19. COST OF GOODS SOLD

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Salaries, including taxes and contributions	873.265	796.177
Holding forums, conferences	358.958	11.861
Services of foreign representatives	294.090	189.031
Participation in exhibitions and other investment events services	126.227	163.446
Operational lease expenses	80.894	70.853
Travel expenses	73.486	26.653
Investor support	63.416	29.781
Provision for unused vacations	59.820	49.743
Consulting services and maintenance of databases	55.511	14.060
Depreciation and amortization	31.709	43.046
Other expenses	17.387	32.376
Transportation services	10.756	1.710
Insurance	7.786	-
Communication services	2.925	3.362
Inventories	1.925	10.855
Courier services	540	213
Information services	-	42.819
Total	2.058.695	1.485.986

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

20. ADMINISTRATIVE EXPENSES

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Salaries, including taxes and contributions	242.583	256.626
Expenses for maintenance of the Board of Directors	24.915	31.741
Travel expenses	22.438	5.056
Operational lease expenses	20.143	21.890
Provision for unused vacations	16.554	15.246
Other expenses	7.893	32.285
Transportation services	6.436	4.003
Consulting services and maintenance of databases	3.729	2.020
Insurance	2.334	8.256
Depreciation and amortization	2.313	2.713
Banking services	2.223	1.457
Audit services	2.150	1.290
Information services	1.674	1.178
Fines, penalties to the budget	1.541	5.270
Inventories	1.408	3.481
Communication services	655	629
Maintenance and repair of assets	171	43
Courier services	171	344
Taxes	15	24
Continuing education	-	2.520
Membership fees	-	1.339
Total	359.346	397.411

21. OTHER (EXPENSES)/INCOME

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Expenses on provision for write-off of tax assets due to expiration of statute of limitations	(24.218)	-
Expenses due to currency exchange	(7.495)	(1.788)
Income from penalties for breach of contractual obligations	1.070	-
(Expenses)/Income from write-off of debts due to expiration of statute of limitations	(244)	3.095
Total	(30.887)	1.307

Following the results of planned inventory of mutual settlements of the Company with the budget the difference between data of personal accounts and accounting on individual income tax in the amount of 21,066 thousand tenge and value added tax for non-resident in the amount of 3,152 thousand tenge was revealed, during reconciliation of accruals for the limitation period (2019-2021) it was determined that these amounts do not apply to this period. Therefore, the Company decided to create a provision for write-off of tax assets due to expiration of the limitation period.

22. RECOVERY OF EXPENSES/(EXPENSES) ON EXPECTED CREDIT LOSSES

The table below presents an analysis of changes in the related provisions for expected credit losses:

<i>In thousands of Kazakhstani tenge</i>	Cash and cash equivalents (Note 12)	Short-term deposits (Note 11)	Advances paid (Note 9)	Total
On December 31, 2019	(671.158)	-	-	(671.158)
Reflected on a net basis under Stage 1	(23)	(12.814)	-	(12.837)
Reflected on a net basis under Stage 2	-	-	-	-
Reflected on a net basis under Stage 3	-	-	-	-
Used	-	-	-	-
On December 31, 2020	(671.181)	(12.814)	-	(683.995)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

RECOVERY OF EXPENSES/(EXPENSES) ON EXPECTED CREDIT LOSSES (CONTINUATION)

<i>In thousands of Kazakhstani tenge</i>	Cash and cash equivalents (Note 12)	Short-term deposits (Note 11)	Advances paid (Note 9)	Total
Reflected on a net basis under Stage 1	(1.194)	12.814	-	11.620
Reflected on a net basis under Stage 2	-	-	-	-
Reflected on a net basis under Stage 3	-	-	(2.135)	(2.135)
Used	-	-	-	-
On December 31, 2021	(672.375)	-	(2.135)	(674.510)

23. FINANCIAL INCOME

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Financial income on financial assets measured at amortized cost	309	309
Finance income on cash and cash equivalents and short-term deposits	40.414	11.377
Total	40.723	11.686

24. TRANSACTIONS WITH RELATED PARTIES

Related parties include the sole shareholder - state institution Ministry of Foreign Affairs of the Republic of Kazakhstan and key management personnel of the Company, organizations that are controlled, jointly controlled or significantly influenced by the sole shareholder, or organizations in which the key management personnel of the Company directly or indirectly own a significant voting interest.

The following table shows the total amount of transactions that have been made with related parties:

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Income		
RSI Committee on Investments of the Ministry of Foreign Affairs of the Republic of Kazakhstan	2.565.062	1.877.774
Total	2.565.062	1.877.774

Key management personnel consist of members of the Management Board of the Company and members of the Board of Directors of the Company.

The remuneration of the key management personnel of the Company for the years ended 31 December 2021 and 2020 was as follows:

<i>In thousands of Kazakhstani tenge</i>	2021	2020
Remuneration to members of the Management Board	69.461	59.739
Remuneration to members of the Board of Directors	24.264	30.414
Total	93.725	90.153

25. PAYMENT OF DIVIDENDS

The sole shareholder of the Company - the state institution Ministry of Foreign Affairs of the Republic of Kazakhstan on August 27, 2021 decided to pay dividends on common shares of the Company for 2020 in the amount of 2,457 thousand tenge. The payment was made on September 2, 2021.

26. FINANCIAL RISK MANAGEMENT GOALS AND POLICIES

Risk management is an important element of the Company's activities. The Company monitors and manages the financial risks relating to its operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks mainly include credit risk, currency risk and liquidity risk. The description of the Company's risk management

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

policies in relation to those risks follows.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity price risk. Financial instruments exposed to market risk include loans, deposits, investments in debt and equity instruments.

The sensitivity analyses in the sections below relate to positions on December 31, 2021 and 2020. The sensitivity analysis has been prepared assuming that the amount of net debt, the ratio of fixed interest rates to floating interest rates on debt and derivative instruments and the proportion of financial instruments denominated in foreign currencies are constant.

The analysis does not include the effect of movements in market variables on: the carrying value of pensions and other postretirement benefit obligations; estimated liabilities; and non-financial assets and liabilities of foreign operations.

In preparing the sensitivity analysis the following assumption was made, the sensitivity of the corresponding line item of the statement of profit or loss and other comprehensive income represents the effect of the assumed changes in the relevant market risks. The analysis was performed based on financial assets and financial liabilities existing as of December 31, 2021 and 2020.

Liquidity risk

The Company is exposed to liquidity risk with respect to its contractual obligations. This risk is managed by maintaining adequate cash and cash equivalents and deposits balances. The Company's management believes that the current balances of cash and cash equivalents and deposits will be sufficient to meet its financial liabilities.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's operations are primarily located in the Republic of Kazakhstan.

Credit risk

Credit risk is the risk that the Company will incur a financial loss because counterparties fail to discharge their obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operations and financial activities, including deposits with banks and financial institutions, foreign currency transactions and other financial instruments.

The Company regularly monitors its cash and deposit balances and bank ratings.

The Company's cash balances and deposits are placed with the following banks on December 31:

Banks	Location	Rating		2021	2020
		2021	2020		
Halyk Bank of Kazakhstan JSC	Kazakhstan	Baa2/Stable	Ba2/Positive	1,002,242	343,809
Bank of China	Kazakhstan	Baa1/Stable	A2/Positive	1,305	792
FortBank JSC	Kazakhstan	Ba2/Stable	B2/Positive	292	240,012
Sberbank JSC	Kazakhstan	Ba1/Positive	Baa3/Positive	-	240,000
Total				1,003,839	824,613

27. CONTRACTUAL AND CONTINGENT LIABILITIES**Legal issues**

The Company may be involved in certain legal proceedings and claims relating to its operations. The management believes that the resolution of such lawsuits, if any, will not have a material impact on the Company's financial statements. These financial statements on December 31, 2021 include a provision that may be required as a result of such litigations with the service provider Kolomeitseva-info LLP in the amount of 1,200 thousand tenge. According to the assessment of the Company's legal support and procurement team, there is a probability of payment of an amount equal to the contractual amount, on the basis of which the Company has made a provision.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2021**

Insurance issues

The insurance industry in the Republic of Kazakhstan is in a developing stage and many forms of insurance protection common in other parts of the world are not yet generally available. The Company does not have insurance coverage for third party liability in respect of damage arising from services rendered by the Company. Until the Company obtains adequate insurance coverage, there is a risk that the loss could have a material adverse effect on the Company's operations and financial position.

The Company has no estimated liabilities for the purchase of goods and services on December 31, 2021 and 2020.

Taxation

Tax legislation and practice in Kazakhstan are in a state of continuous development and as such, are subject to varying interpretations and frequent changes, which may be applied retrospectively. As a result, the Company may be assessed additional taxes, penalties and interest. Tax periods remain open to review by the Kazakhstani tax authorities for three years.

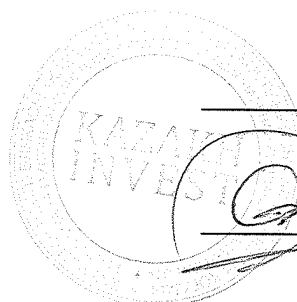
28. EVENTS AFTER THE REPORTING DATE

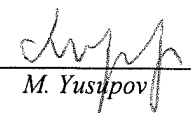
There are no significant events after the reporting date.

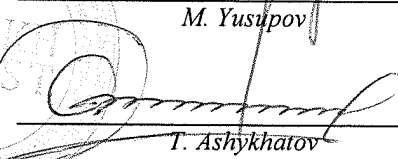
Chairman of the Board


Financial Director

Chief Accountant




M. Yusupov


T. Ashykhmatov


N. Zhumageldinova