



**ҚазМұнайГаз**  
NATIONAL COMPANY ҰЛТТЫҚ КОМПАНИЯСЫ

**Dauren Karabayev**

Deputy Chairman for Economics and Finance

24 November 2020

# KMG Operational and Financial results 9M 2020



# Disclaimer

## Forward-looking statements

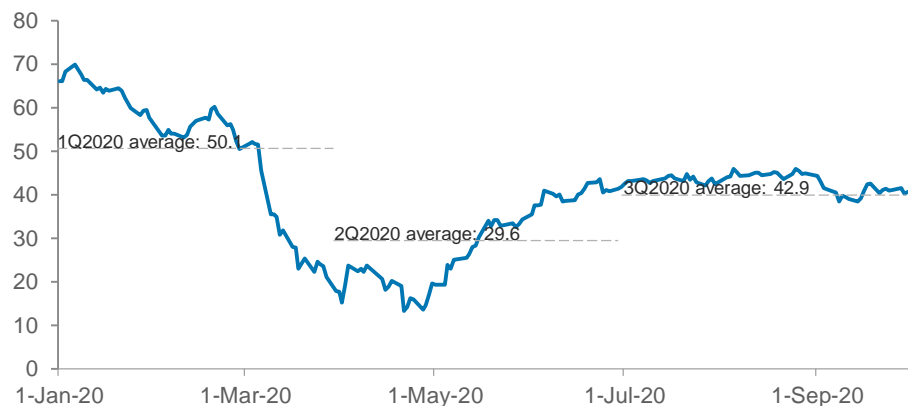
This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “target”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They include, but are not limited to, statements regarding the JSC NC KazMunayGas (The Company) intentions, beliefs and statements of current expectations concerning, amongst other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and as to the industries in which the Company operates. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur.

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# Macroeconomic environment

Dated Brent, US\$ pb<sup>1</sup>



USDKZT<sup>2</sup>



Kazakhstan's macroeconomic indicators<sup>3</sup>

Indicators	9M2019	9M2020
GDP growth, %	4.3	-2.8
Inflation, % (Sep, YoY)	5.3	7.0
Base rate, % (at end-Sep)	9.25	9.0

FX rate <sup>4</sup>	9M2019	9M2020
USDKZT, average	381.52	409.23
USDKZT, end-of period	387.99	431.82

KMG Credit ratings

Moody's	S&P	Fitch
<b>Baa3 (Positive)</b>	BBB-	<b>BBB- (Stable)</b>
Ba1	BB+	BB+
Ba2	<b>BB (Negative)</b>	BB
Ba3	BB-	BB-

*Investment grade*

Kazakhstan sovereign credit ratings

Baa3 (Positive)	BBB- (Stable)	BBB (Stable)
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*Investment grade*

(1) Brent dated, source: S&P Global Platts.

(2) Official FX; source: National Bank of Kazakhstan.

(3) Official statistics, source: Committee on Statistics, National Bank of Kazakhstan.

(4) FX rates applied for IR reporting purposes. USDKZT as of 31 December 2019: 382.59

# Highlights

## Operational results

**Oil and gas condensate** production decreased by 6.6% year-on-year and amounted to 16,423 thous. tonnes.

**Oil and gas transportation** segment showed a decrease of 5.9% and 14.7% and totaled to 55,225 thous. tonnes of oil and 63,448 mln m<sup>3</sup> of gas transported correspondingly.

**Refining volumes** at Kazakh and Romanian refineries decreased by 14.4% year-on-year to 13,081 thous. tonnes.

## Financial and corporate results

**EBITDA**<sup>1</sup> down by 47.0% YoY to USD 2.1 bln.

**FCF**<sup>2</sup> positive at USD 357 mln.

**Net debt**<sup>3</sup> at USD 6.2 bln, almost unchanged YoY.

In October, the **successful completion** of the **offering** of new 12.5-year USD 750 mln Eurobonds with the net proceeds were used to fund the early **redemption of outstanding Eurobonds** due 2022 and 2023 for the amount of USD 906.6 mln.

On 16 November, **KTG**, VTB Bank and SO JSC VTB Bank (Kazakhstan) JSC signed a **loan agreement** for the amount of **USD 200 mln** equivalent of Russian rubles. The funds will be used to **refinance** the existing liabilities.

A rating of **69 points** by the **Sustainalytics** rating agency, implying a ranking of 33 out of 119.

(1) The Company calculates Earnings before interest, taxes, depreciation and amortization (**EBITDA**), as "Revenue + Share in profit of JVs and associates, net – Cost of purchased oil, gas petroleum products and other materials – Production expenses – G&A expenses – Transportation and selling expenses – Taxes other than income tax".

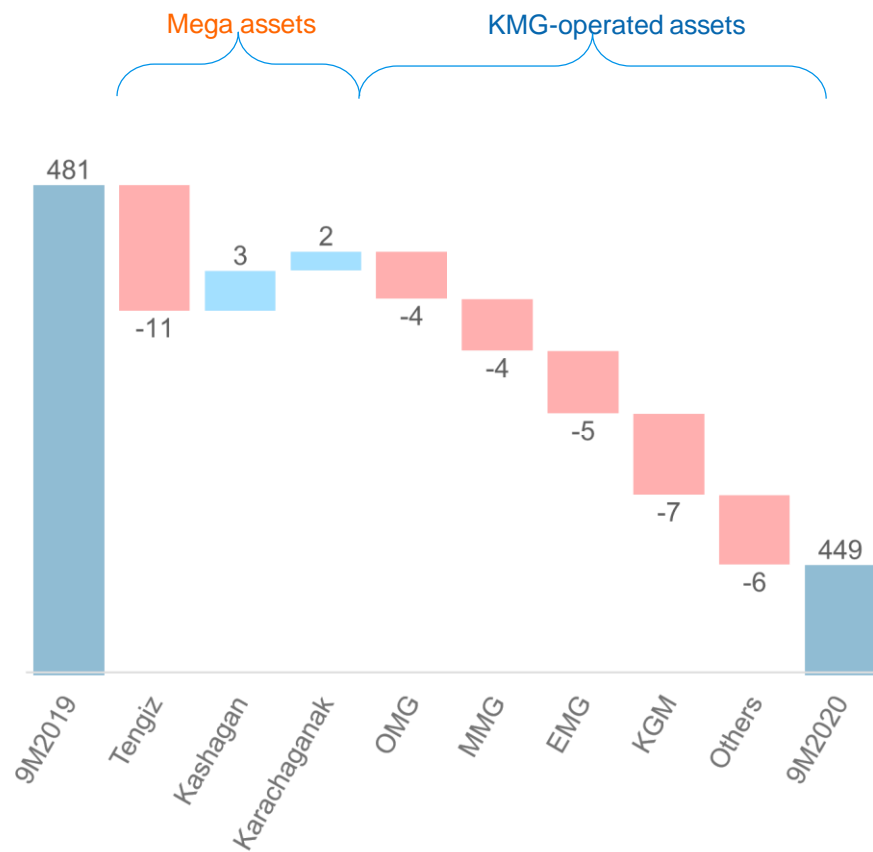
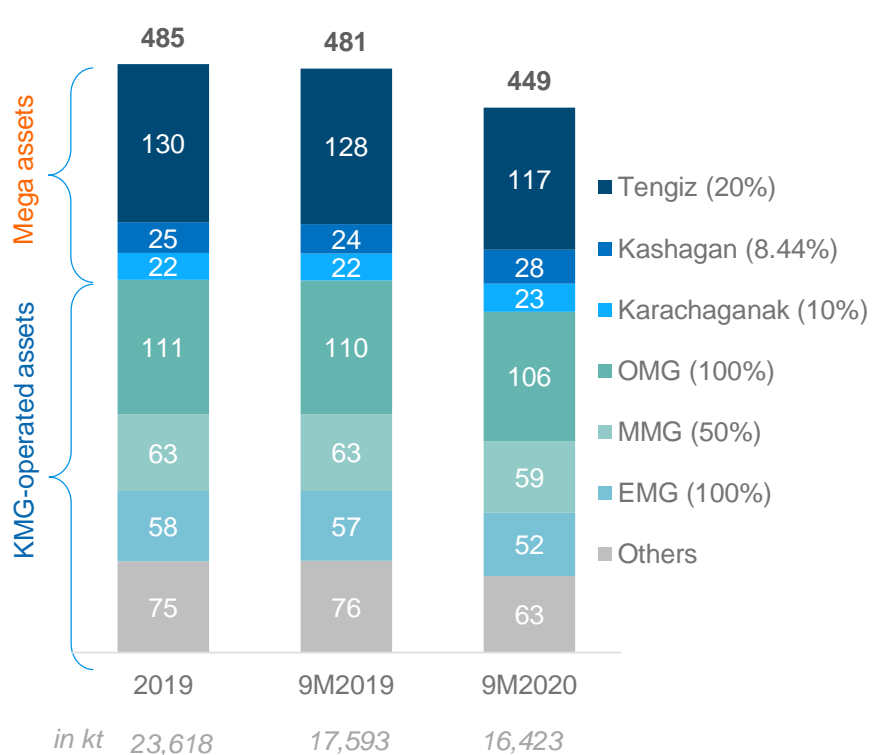
(2) The Company calculates **Free cash flow** (FCF) as "CFO – TCO prepayments, net – Capex (cash basis) + Proceeds from the loan previously provided to Caspian Pipeline Consortium".

(3) The Company calculates Net debt as "Non-current borrowings + Current borrowings – Cash & cash equivalents – Short-term bank deposits – Long-term bank deposits".



# Upstream

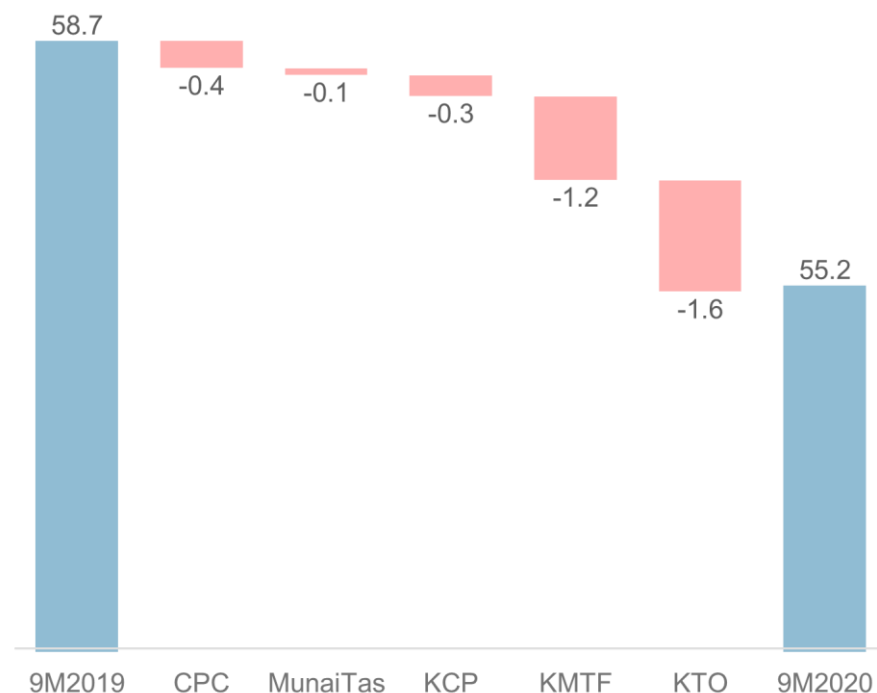
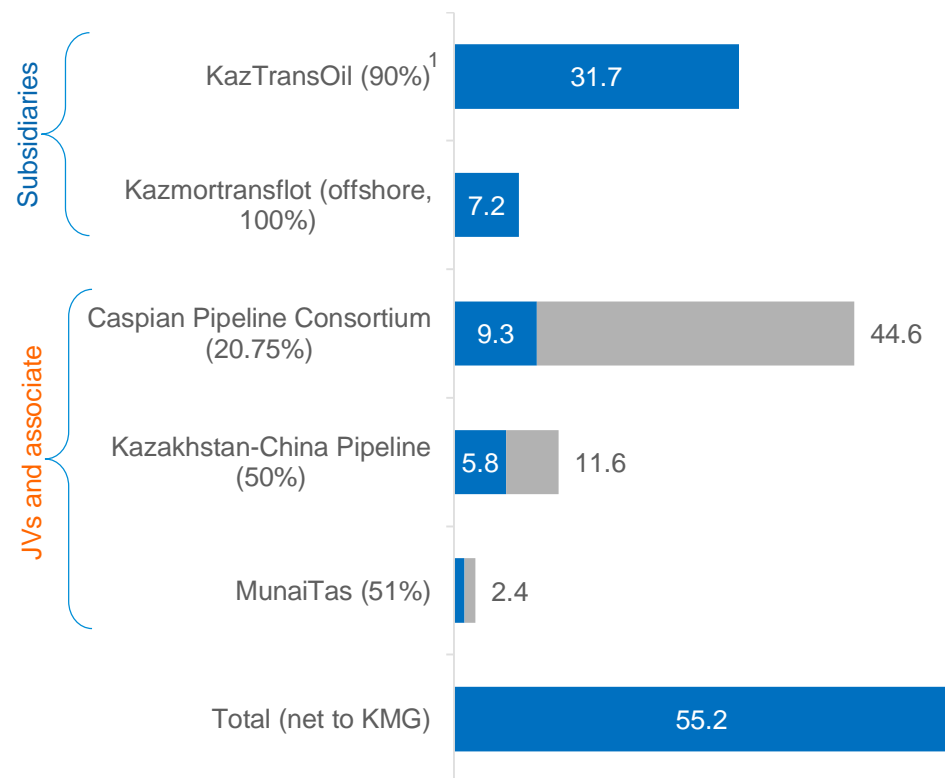
Crude oil and gas condensate production (net to KMG), kbopd<sup>1</sup>



(1) Applied respective barrelisation coefficients.

# Oil midstream

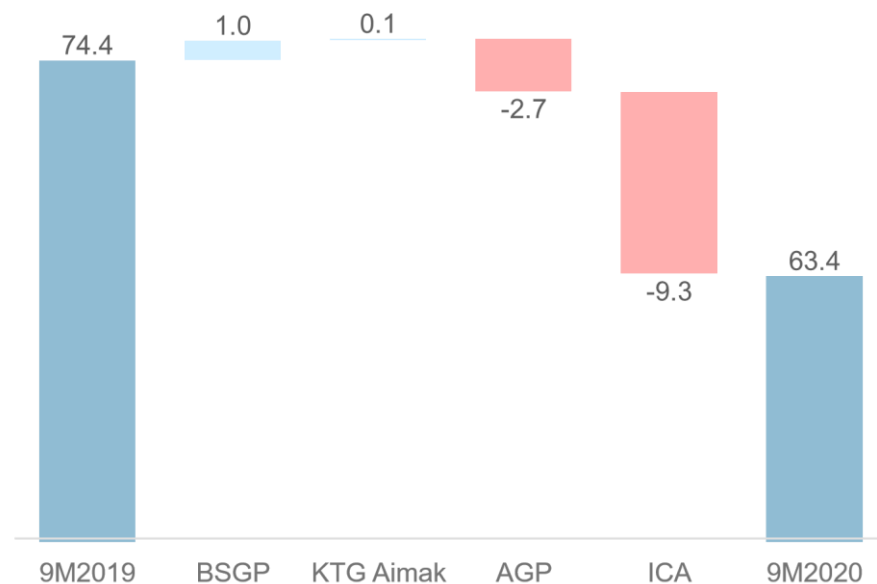
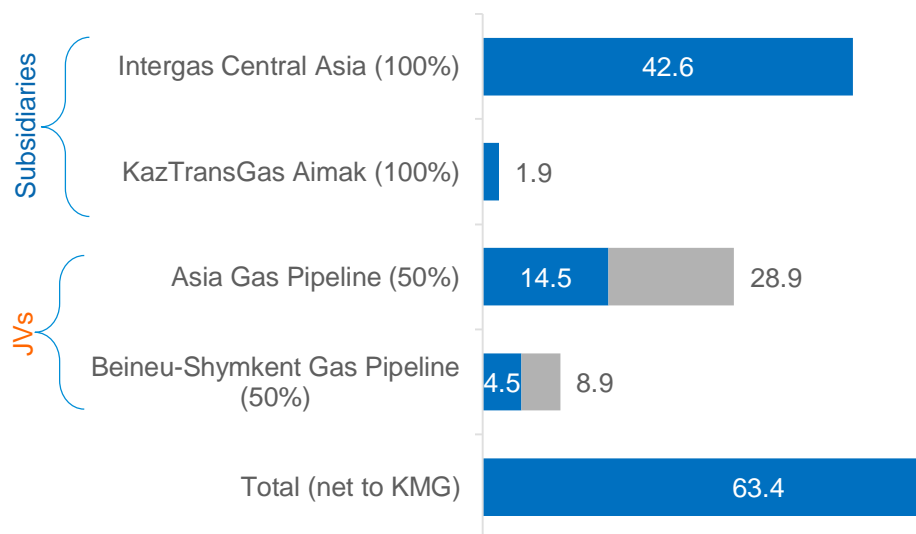
Breakdown of crude oil transportation by companies on gross basis, mt



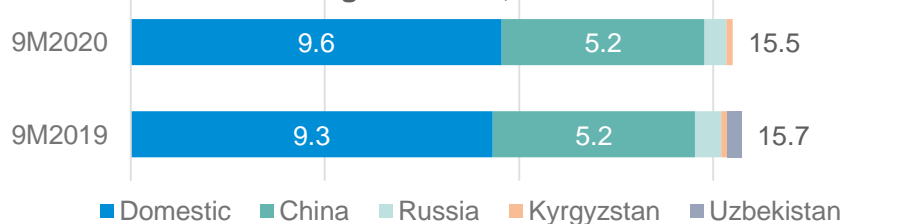
(1) Since KTO is fully operated by KMG, transportation volumes are being reported for 100%.

# Gas midstream

Breakdown of gas transportation by companies on gross basis, bln m<sup>3</sup>



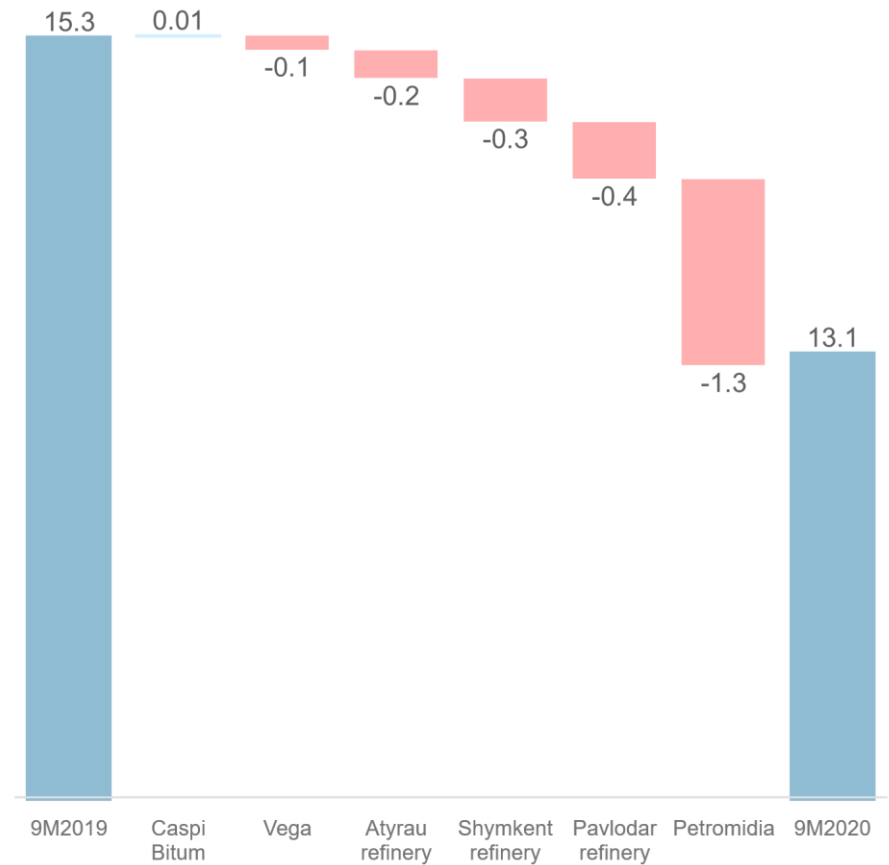
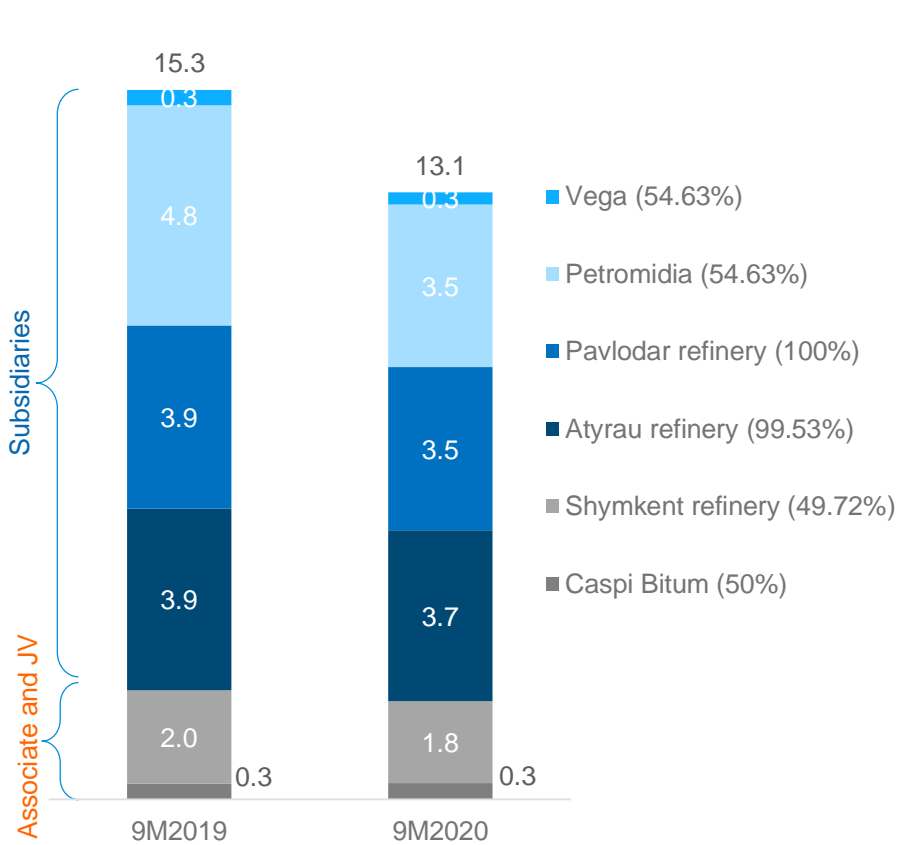
Sales volumes of KTG's<sup>1</sup> gas for sale, bln m<sup>3</sup>



(1) KTG is a national operator of gas and gas supply that buys gas for sale from subsoil users/suppliers and resells it to domestic market and for export. The volumes are mostly related to third party volumes rather than KMG's share of natural and associated gas produced at oil and gas fields.

# Downstream

Refining volume (net to KMG<sup>1</sup>), mt

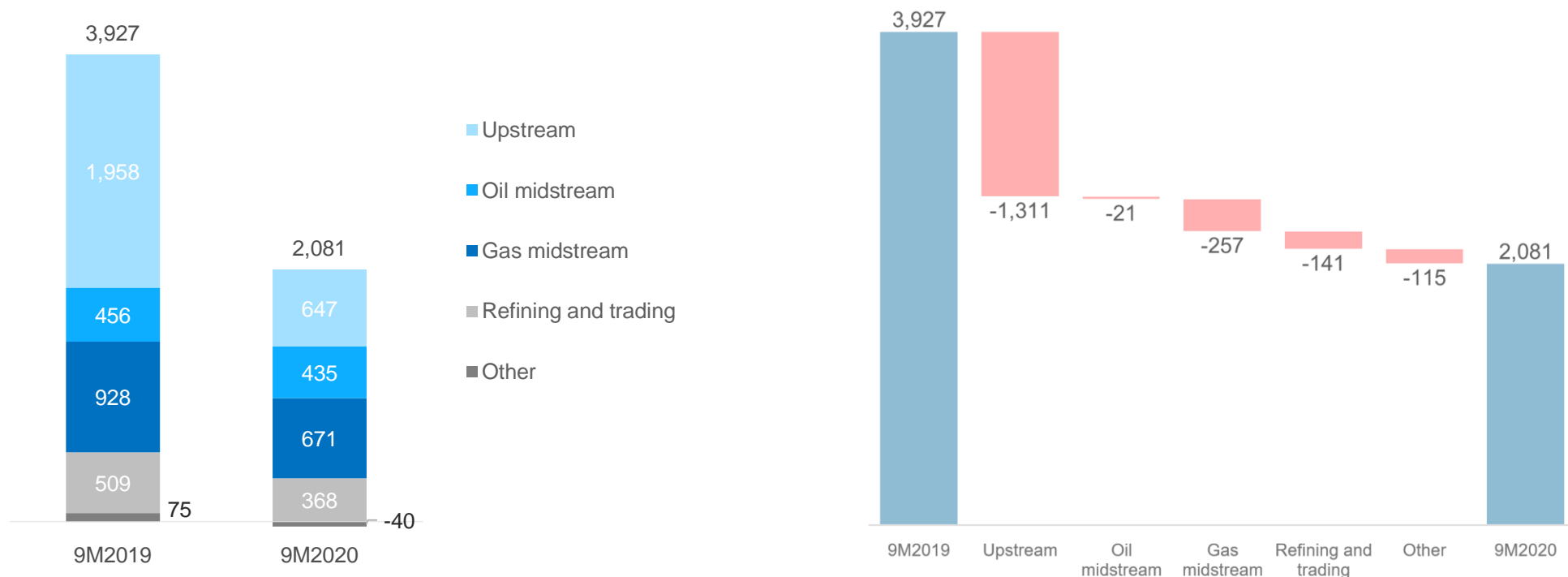


(1) Operating results are based on the net to KMG's operating share: Atyrau – 99.53%, Pavlodar – 100%, Shymkent – 49.72%, Caspi Bitum – 50%, Petromidia – 100%, Vega – 100%



# Change in EBITDA by segments, 9M2020 vs. 9M2019

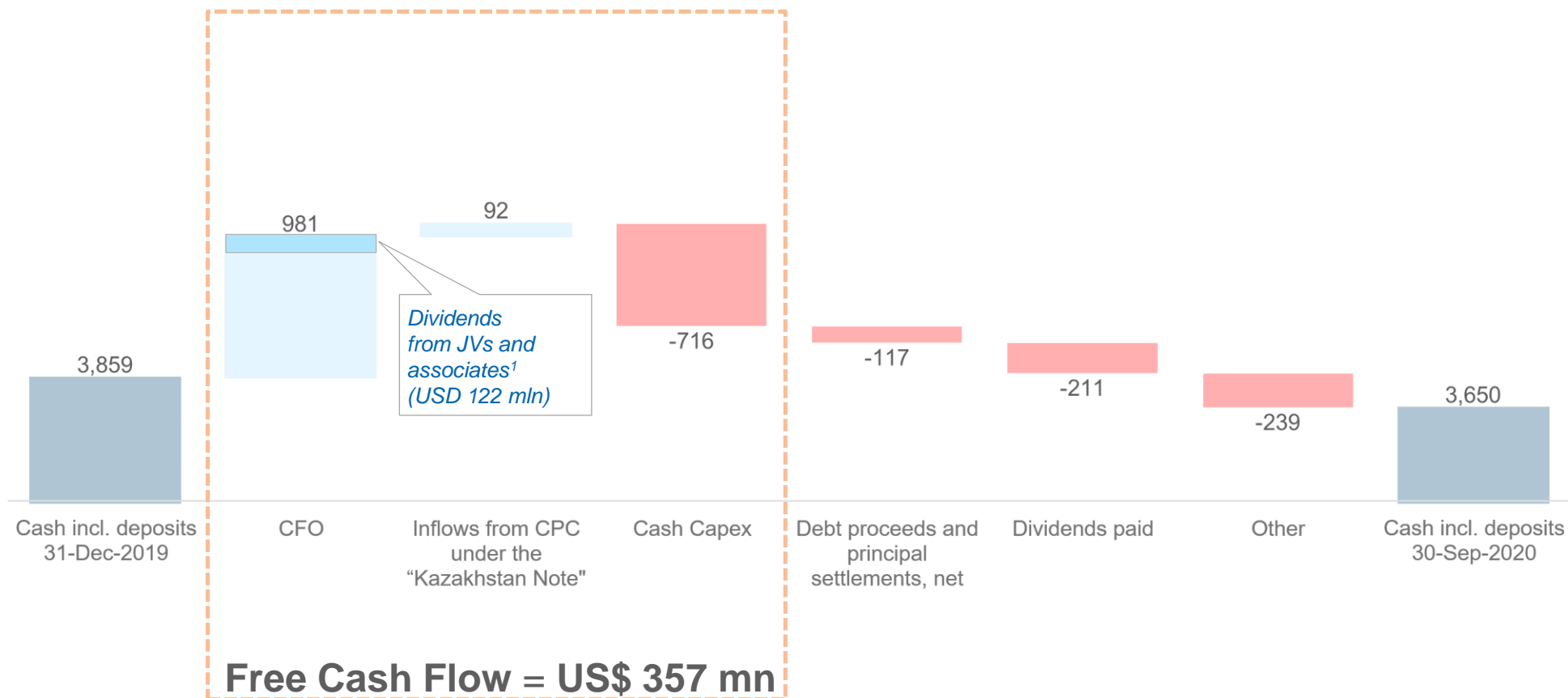
EBITDA by segments, US\$ mn (9M2020 vs. 9M2019)



Note: Numbers may not sum due to rounding.

# KMG is FCF positive despite oil price drop

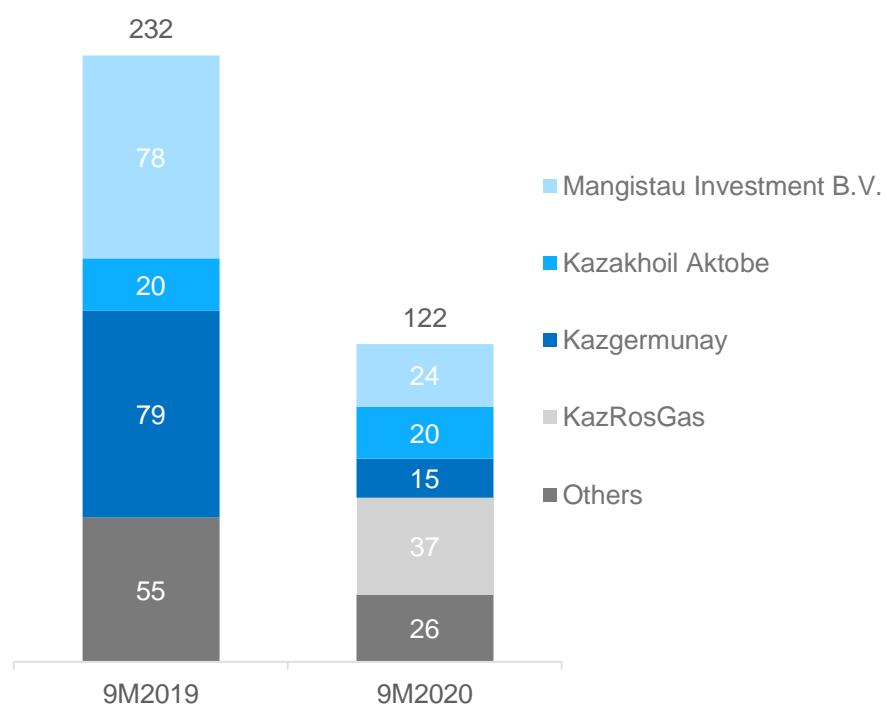
Cash sources and uses, US\$ mn



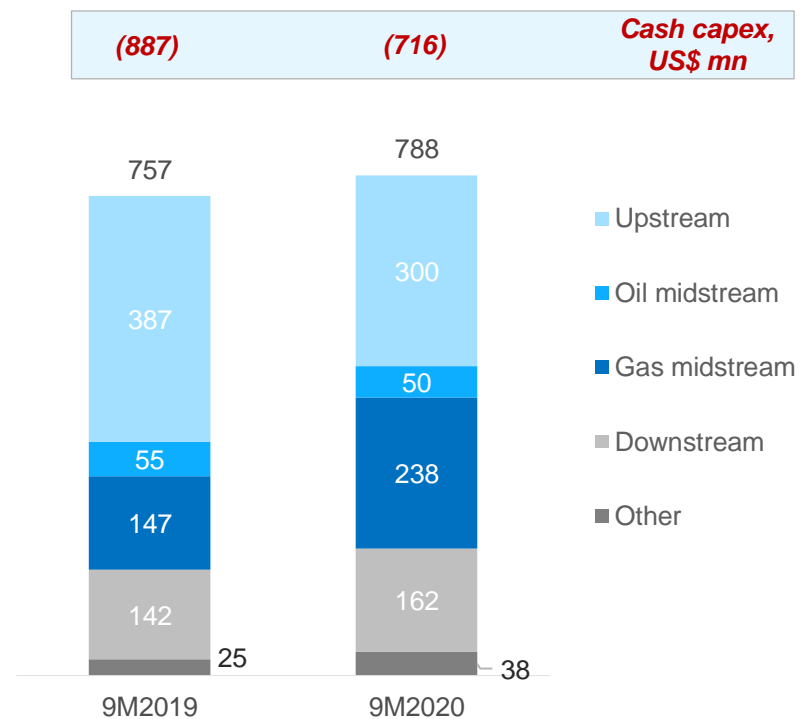
(1) As per the Consolidated Financial Statements of KMG, Dividends receipt from JVs and associates are now classified as Operating activity of the Company.

# Dividends and capex

Dividends from JVs and associates, US\$ mn



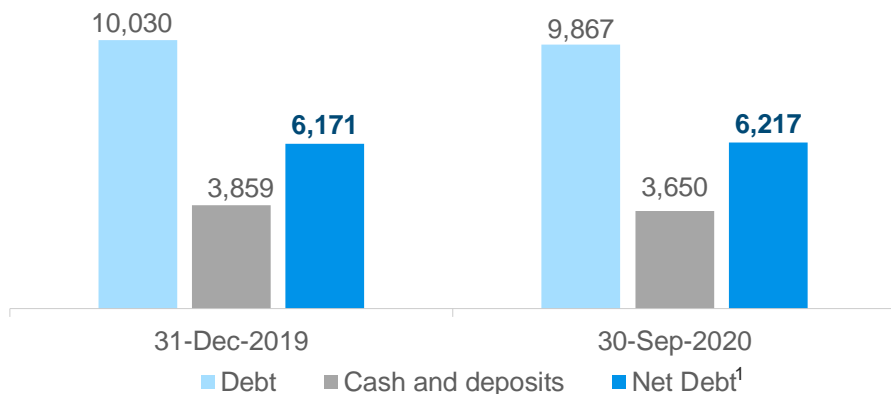
CAPEX on accrual basis, US\$ mn



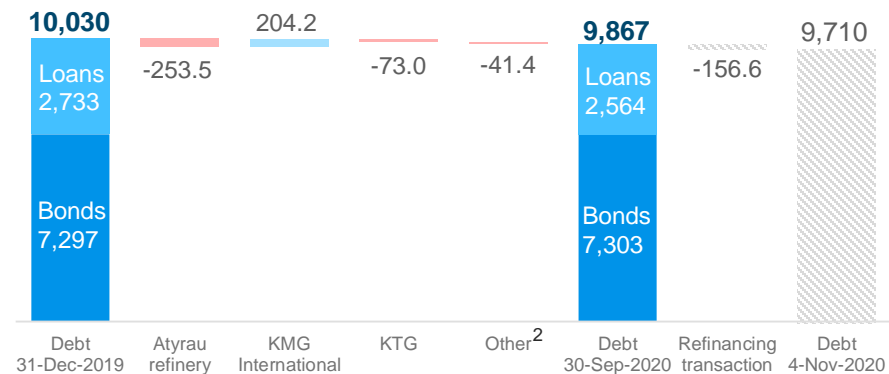
Note: Numbers may not sum due to rounding.

# Debt profile

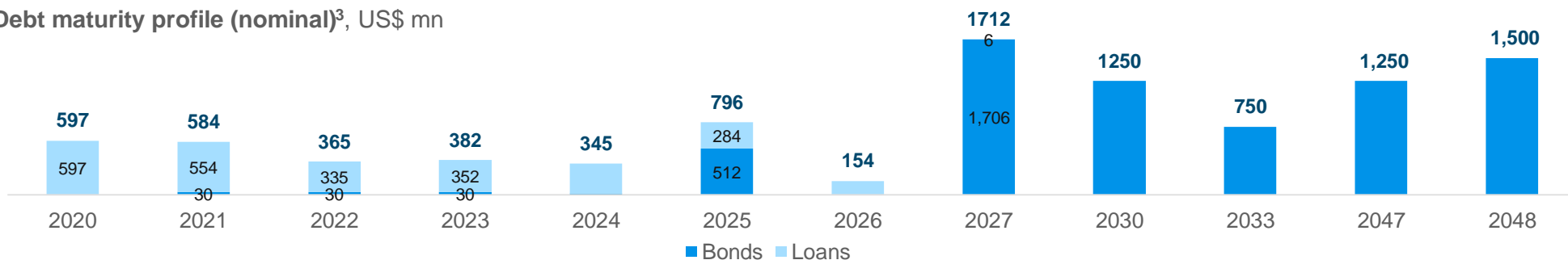
## Debt and leverage, US\$ mn



## Debt movement, US\$ mn



## Debt maturity profile (nominal)<sup>3</sup>, US\$ mn



(1) Net Debt figures as of 30 September 2020 do not include guaranteed obligations on a syndicated loan of Beineu-Shymkent Gas Pipeline (BSGP) in the amount of 249 bn tenge (USD 576 mn), guaranteed obligation on a loan of JSC "AstanaGas KMG" in the amount of 1.9 bn tenge (USD 4.3 mn), lease liabilities in the amount of 52 bn tenge (USD 120 mn); and Net Debt figures as of 31 December 2019 do not include guaranteed obligations on a syndicated loan of BSGP in the amount of 262 bn tenge (USD 684 mn), guaranteed obligation on a loan of JSC "AstanaGas KMG" in the amount of 1.9 bn tenge (USD 4.9 mn) and lease liabilities in the amount of 47 bn tenge (USD 123 mn).

(2) Other includes currency translation, foreign exchange gain/loss, interest paid, interest expense, interest capitalized, additions and repayments of other companies' debt.

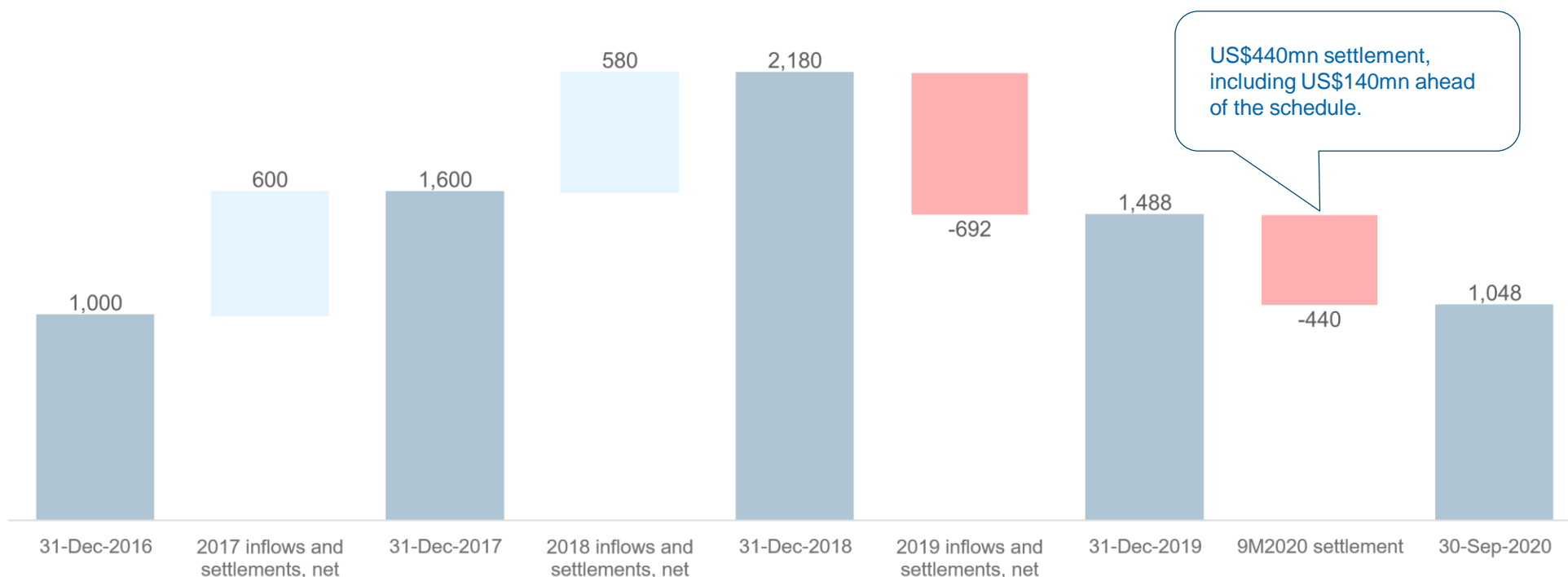
(3) Loans includes credit lines, traded bonds, overdrafts, trade financing. Debt maturity profile does not reflect guarantees. As of 4 November 2020 (after the refinancing transaction).

Note: Numbers may not sum due to rounding.



# Kashagan's accelerated repayments

Kashagan crude oil prepayments movement<sup>1</sup>, US\$ mn



(1) Prepayments are at Kashagan B.V. level (50% owned by KMG). Kashagan B.V is consolidated to KMG's financial reporting using equity method.

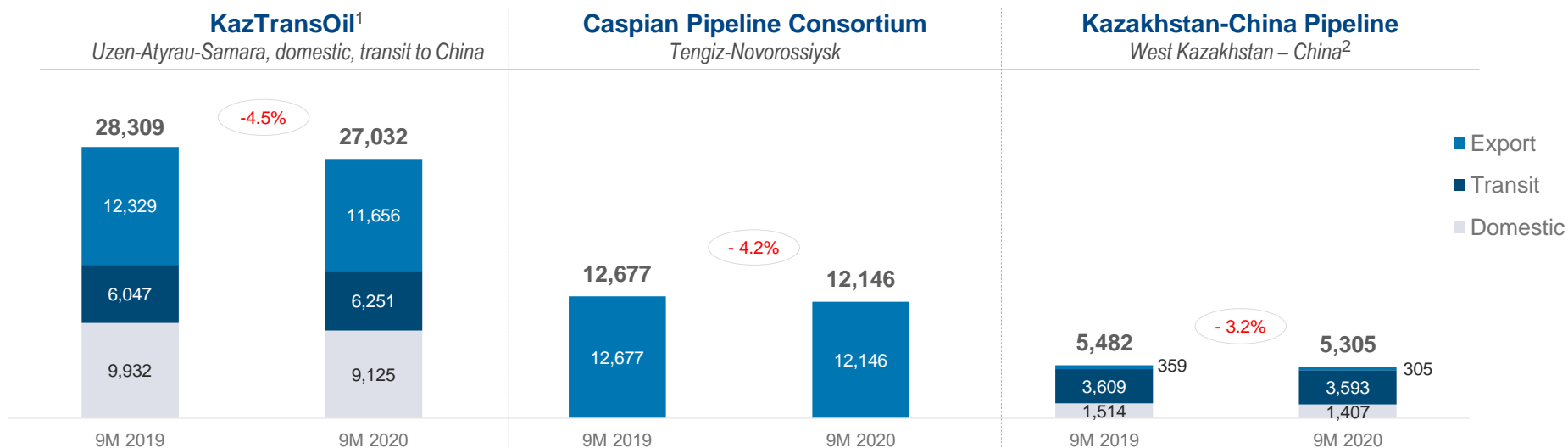
Note: Numbers may not sum due to rounding.



# Appendix

# Midstream: Oil transportation turnover

Oil transportation turnover by directions (net to KMG), (mt\*km)



## Oil transportation tariffs in 9M 2020

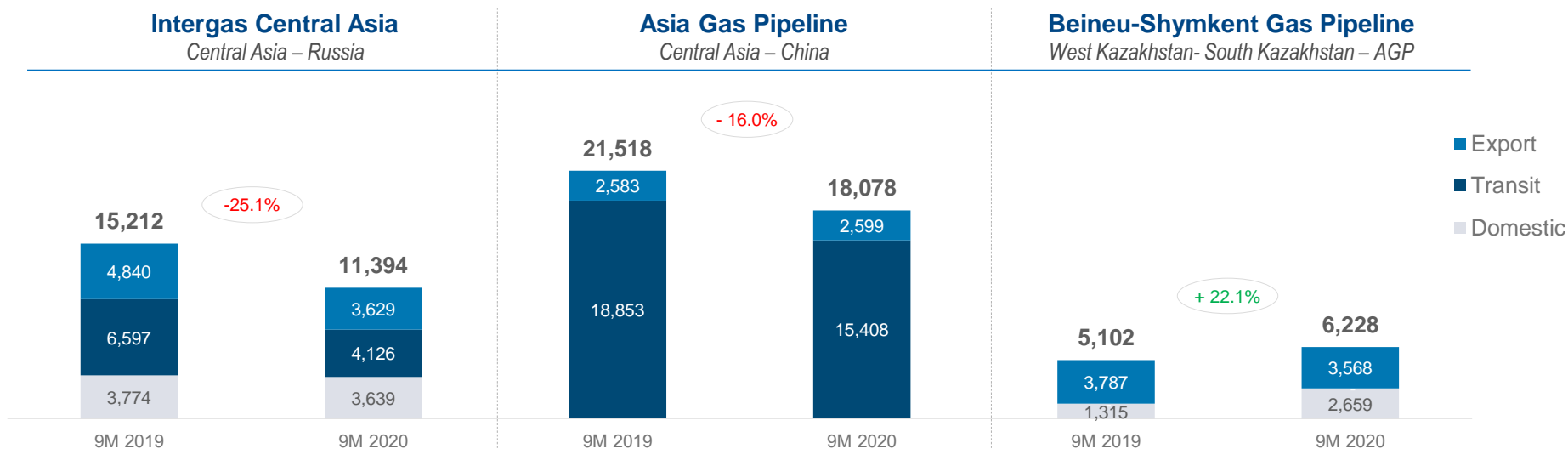
Company	Direction	UoM	Average tariffs	% change 1H 2019 vs 1H 2020
KazTransOil	Export	tn per 1,000 km	7,149 KZT	+ 11.7%
	Domestic	tn per 1,000 km	4,110 KZT	- 12.9%
	Transit	per tonne	4.23 USD	no change
Caspian Pipeline Consortium	Export	per tonne	36.00 USD	no change
Kazakhstan-China Pipeline	Export	tn per 1,000 km	6,799 KZT	no change
	Domestic	tn per 1,000 km	7,158 KZT	no change
	Transit	per tonne	10.77 USD	no change

(1) Since KTO is fully operated by KMG, transportation volumes are being reported for 100%.

(2) Includes pipelines Atasu-Alashankou, Kenkiyak-Kumkol.

# Midstream: Gas transportation turnover

Gas transportation turnover by directions (net to KMG), (mln m<sup>3</sup>\*km)



## Gas transportation tariffs in 1H 2020

Company	Direction	UoM	Average tariffs	% change 1H2019 vs 1H2020
Intergas Central Asia	Export	1,000 m <sup>3</sup> per 100 km	4.3 USD	+ 10.5%
	Domestic	1,000 m <sup>3</sup>	2,262 KZT	+ 2.2%
	Transit	1,000 m <sup>3</sup> per 100 km	2.03 USD	+ 1.5%
Asia Gas Pipeline	Export	1,000 m <sup>3</sup> per 100 km	3.58 USD	no change
	Domestic	1,000 m <sup>3</sup> per 100 km	555 KZT	change in methodology <sup>1</sup>
	Transit	1,000 m <sup>3</sup> per 100 km	3.58 USD	no change
Beineu-Shymkent Gas Pipeline	Export	1,000 m <sup>3</sup> per 100 km	1,200 KZT	change in methodology <sup>1</sup>
	Domestic	1,000 m <sup>3</sup> per 100 km	1,200 KZT	change in methodology <sup>1</sup>

(1) The pricing methodology was changed from “1,000 m<sup>3</sup>” to “1,000 m<sup>3</sup> per 100 km” in 9M 2020



# Downstream: Refining details

Refining volumes in 9M 2020 (net to KMG<sup>1</sup>), mt

	Kazakhstan				Romania	
	3.68	3.52	1.77	0.34	3.50	0.26
	Atyrau (99.53%)	Pavlodar (100%)	Shymkent (49.72%)	Caspi Bitum (50%)	Petromidia (54.63%)	Vega (54.63%)
<b>Refining capacity, mt/yr</b>	5.5	6.0	6.0	1.0	6.0 <sup>2</sup>	0.5
<b>Nelson Index</b>	13.9	10.5	8.2	–	10.5	–
<b>Light products yield</b>	60% <sup>3</sup>	69%	83%	–	87%	–
<b>Refining depth</b>	77%	87%	91%	–	96%	–
<b>Utilisation rate</b>	89%	78%	79%	92%	78%	71%
<b>Weighted average tariffs, KZT/tonne</b>	41,466	20,904	33,671	20,000	–	–

(1) Operating results are based on the net to KMG's operating share: Atyrau – 100%, Pavlodar – 100%, Shymkent – 50%, Caspi Bitum – 50%, Petromidia – 100%, Vega – 100%

(2) Design capacity includes refining 5 mln tonnes of oil and 1 mln tonnes of other hydrocarbons per year

(3) Light products yield includes benzene and paraxylene at Atyrau refinery

# EBITDA segmented, 9M 2020

<i>In USD mln</i>	UPSTREAM	MIDSTREAM		DOWNSTREAM	NC KMG	OTHER	TOTAL
	E&P	Oil transportation	Gas transportation and marketing	Refining and trading of crude oil and refined products	Trading and corporate	Other assets, and eliminations <sup>2</sup>	
Operating EBITDA	346	286	325	385	-43	-10	<b>1,291</b>
Share in profit of JVs and associates <sup>1</sup>	301	149	345	-17	0	12	<b>790</b>
Tengiz (20%)	264						
MMG (50%)	30						
KGM (50%)	26						
Kashagan (8.44%)	-23						
KOA (50%)	4						
PKI (33%)	15						
CPC (20.75%)		134					
KCP (50%)		12					
MT (51%)		3					
AGP (50%)			282				
BSGP (50%)			70				
KazRosGas (50%)			-7				
Shymkent refinery (50%)				-26			
Other	-17	0	0	9	-	12	
<b>EBITDA</b>	<b>647</b>	<b>435</b>	<b>671</b>	<b>368</b>	<b>-43</b>	<b>3</b>	<b>2,081</b>
<i>% of total</i>	<b>31%</b>	<b>21%</b>	<b>32%</b>	<b>18%</b>	<b>-2%</b>	<b>0%</b>	<b>100%</b>

(1) Mainly equity method of consolidation

(2) Eliminations = USD 9.1 mn of Operating EBITDA

Fully consolidated entities: Upstream: OMG, EMG, Karachaganak, KTM; Midstream/Oil transportation: KTO, KMTF; Midstream/Gas: KazTransGas;

Downstream/Refining: Atyrau refinery, Pavlodar refinery, KMG; Downstream/Trading: KMG Cooperative, KMG TH.

Note: Numbers may not sum due to rounding.

# EBITDA segmented, 9M 2019

<i>In USD mln</i>	UPSTREAM	MIDSTREAM		DOWNSTREAM	NC KMG	OTHER	TOTAL
	E&P	Oil transportation	Gas transportation and marketing	Refining and trading of crude oil and refined products	Trading and corporate	Other assets, and eliminations <sup>2</sup>	
Operating EBITDA	883	314	481	533	76	-33	<b>2,253</b>
Share in profit of JVs and associates <sup>1</sup>	1,075	142	447	-24	0	33	<b>1674</b>
Tengiz (20%)	819						
MMG (50%)	171						
KGM (50%)	38						
Kashagan (8.44%)	39						
KOA (50%)	15						
PKI (33%)	5						
CPC (20.75%)		139					
KCP (50%)		0					
MT (51%)		3					
AGP (50%)			290				
BSGP (50%)			101				
KazRosGas (50%)			57				
Shymkent refinery (50%)				-29			
Other	-10	0	0	5	-	33	
<b>EBITDA</b>	<b>1,958</b>	<b>456</b>	<b>928</b>	<b>509</b>	<b>76</b>	<b>0</b>	<b>3,927</b>
<i>% of total</i>	<b>50%</b>	<b>12%</b>	<b>24%</b>	<b>13%</b>	<b>2%</b>	<b>0%</b>	<b>100%</b>

(1) Mainly equity method of consolidation

(2) Eliminations = -USD20.3 mn of Operating EBITDA

Fully consolidated entities: Upstream: OMG, EMG, Karachaganak, KTM; Midstream/Oil transportation: KTO, KMTF; Midstream/Gas: KazTransGas;

Downstream/Refining: Atyrau refinery, Pavlodar refinery, KMG; Downstream/Trading: KMG Cooperative, KMG TH.

Note: Numbers may not sum due to rounding.



# Consolidated statement of comprehensive income

In KZT bn

	9M2020	9M2019	Change	Change, %
<b>Revenue and other income</b>				
Revenue	3,334	5,128	-1,794	-35.0%
Share in profit of joint ventures and associates, net	323	639	-316	-49.5%
Finance income	87	94	-7	-7.4%
Gain on sale of subsidiaries	0	17	-17	-100.0%
Other operating income	15	17	-2	-11.8%
<b>Total revenue and other income</b>	<b>3,759</b>	<b>5,895</b>	<b>-2,136</b>	<b>-36.2%</b>
<b>Costs and expenses</b>				
Cost of purchased oil, gas, petroleum products and other materials	-1,623	-2,938	1,315	-44.8%
Production expenses	-545	-541	-4	0.7%
Taxes other than income tax	-204	-345	141	-40.9%
Depreciation, depletion and amortization	-266	-253	-13	5.1%
Transportation and selling expenses	-326	-308	-18	5.8%
General and administrative expenses	-108	-136	28	-20.6%
Impairment of property, plant and equipment, intangible assets and exploration and evaluation assets	-227	-131	-96	73.3%
Exploration expense	-20	-19	-1	5.3%
Impairment of investments in joint venture and associate	-38	-	-38	100%
Finance costs	-202	-246	44	-17.9%
Other expenses	-22	-18	-4	22.2%
Net foreign exchange gain/(loss)	20	-1	21	-2100.0%
<b>Total costs and expenses</b>	<b>-3,561</b>	<b>-4,936</b>	<b>1,375</b>	<b>-27.9%</b>
<b>Profit before income tax</b>	<b>198</b>	<b>959</b>	<b>-761</b>	<b>-79.4%</b>
Income tax expense	-62	-165	103	-62.4%
<b>Profit for the period from continuing operations</b>	<b>136</b>	<b>794</b>	<b>-658</b>	<b>-82.9%</b>
<b>Discontinued operations</b>				
Profit/(loss) after income tax for the period from discontinued operations	-	0	-	-
<b>Net profit for the period</b>	<b>136</b>	<b>794</b>	<b>-658</b>	<b>-82.9%</b>
<b>Net profit/(loss) for the period attributable to:</b>				
Equity holders of the Parent Company	223	832	-609	-73.2%
Non-controlling interest	-87	-38	-49	128.9%
	<b>136</b>	<b>794</b>	<b>-658</b>	<b>-82.9%</b>
<b>Other comprehensive income/(loss)</b>				
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods				
Hedging effect	0	0	0	-
Exchange differences on translation of foreign operations	525	41	484	8.5%
Tax effect	-47	-4	-43	9.3%
<b>Net other comprehensive income to be reclassified to profit or loss in the subsequent periods</b>	<b>478</b>	<b>37</b>	<b>441</b>	<b>8.4%</b>
<i>Other comprehensive (loss)/gain not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial (loss)/gain on defined benefit plans	-1	-1	0	-
<b>Net other comprehensive (loss)/gain not to be reclassified to profit or loss in the subsequent periods</b>	<b>-1</b>	<b>-1</b>	<b>0</b>	<b>-</b>
<b>Net other comprehensive income for the period</b>	<b>477</b>	<b>36</b>	<b>441</b>	<b>8.2%</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>613</b>	<b>831</b>	<b>-218</b>	<b>-381.2%</b>
<b>Total comprehensive income/(loss) for the period attributable to:</b>				
Equity holders of the Parent Company	700	869	-169	-514.2%
Non-controlling interest	-85	-38	-47	80.9%
	<b>615</b>	<b>831</b>	<b>-216</b>	<b>-384.7%</b>
<b>Earnings per share – thous.tenge</b>				
Basic and diluted	0.22	1.30	-1	-120.4%

Note: Subtotals may not be equal to subtotals in the issued financial statements due to rounding.

# Consolidated statement of financial position

In KZT bn

	Sep 30 2020	Dec 31 2019	Change	Change,%
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,462	4,484	-22	-0.5%
Right-of-use assets	41	38	3	7.9%
Exploration and evaluation assets	153	180	-27	-15.0%
Investment property	29	10	19	190.0%
Intangible assets	167	171	-4	-2.3%
Long-term bank deposits	56	53	3	5.7%
Investments in joint ventures and associates	6,487	5,590	897	16.0%
Deferred income tax asset	78	74	4	5.4%
VAT receivable	101	134	-33	-24.6%
Advances for non-current assets	38	73	-35	-47.9%
Loans and receivables due from related parties	696	616	80	13.0%
Other non-current financial assets	10	2	8	400.0%
Other non-current non-financial assets	3	17	-14	-82.4%
	<b>12,321</b>	<b>11,442</b>	<b>879</b>	<b>7.7%</b>
<b>Current assets</b>				
Inventories	247	281	-34	-12.1%
VAT receivable	96	74	22	29.7%
Income tax prepaid	57	55	2	3.6%
Trade accounts receivable	392	398	-6	-1.5%
Short-term bank deposits	317	360	-43	-11.9%
Loans and receivables due from related parties	80	139	-59	-42.4%
Other current financial assets	46	63	-17	-27.0%
Other current non-financial assets	102	198	-96	-48.5%
Cash and cash equivalents	1,203	1,064	139	13.1%
Assets classified as held for sale	5	8	-3	-37.5%
	<b>2,545</b>	<b>2,640</b>	<b>-95</b>	<b>-3.6%</b>
<b>Total assets</b>	<b>14,866</b>	<b>14,082</b>	<b>784</b>	<b>5.6%</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	917	917	0	0.0%
Additional paid-in capital	25	41	-16	-39.0%
Other equity	0	0	0	100.0%
Currency translation reserve	2,210	1,732	478	27.6%
Retained earnings	5,607	5,469	138	2.5%
<b>Attributable to equity holders of the Parent Company</b>	<b>8,759</b>	<b>8,159</b>	<b>600</b>	<b>7.4%</b>
Non-controlling interest	-53	38	-91	-239.5%
<b>Total equity</b>	<b>8,706</b>	<b>8,197</b>	<b>509</b>	<b>6.2%</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings	3,779	3,584	195	5.4%
Provisions	293	274	19	6.9%
Deferred income tax liabilities	558	509	49	9.6%
Lease liabilities	35	36	-1	-2.8%
Other non-current financial liabilities	23	26	-3	-11.5%
Other non-current non-financial liabilities	19	18	1	5.6%
	<b>4,707</b>	<b>4,447</b>	<b>260</b>	<b>5.8%</b>
<b>Current liabilities</b>				
Borrowings	481	253	228	90.1%
Provisions	105	103	2	1.9%
Income tax payable	7	13	-6	-46.2%
Trade accounts payable	541	668	-127	-19.0%
Other taxes payable	124	87	37	42.5%
Lease liabilities	17	11	6	54.5%
Other current financial liabilities	80	93	-13	-14.0%
Other current non-financial liabilities	98	210	-112	-53.3%
	<b>1,453</b>	<b>1,438</b>	<b>15</b>	<b>1.0%</b>
<b>Total liabilities</b>	<b>6,160</b>	<b>5,885</b>	<b>275</b>	<b>4.7%</b>
<b>Total equity and liabilities</b>	<b>14,866</b>	<b>14,082</b>	<b>784</b>	<b>5.6%</b>

Book value per ordinary share (in thous. of tenge)

13.996

13.154

Note: Subtotals may not be equal to subtotals in the issued financial statements due to rounding.

# Consolidated statement of cash flows – indirect

In KZT bn	9M2020	9M2019	Change	Change, %
<b>Cash flows from operating activities</b>				
Profit before income tax from continuing operations	199	959	-760	-79.2%
Profit before income tax from discontinued operations	0	0	0	100.0%
<b>Profit before income tax</b>	<b>199</b>	<b>959</b>	<b>-760</b>	<b>-79.2%</b>
<b>Adjustments:</b>				
Depreciation, depletion and amortization	266	253	13	5.1%
Impairment of property, plant and equipment, intangible assets, exploration and evaluation assets	227	131	96	73.3%
Exploration expense	20	19	1	5.3%
Impairment of investments in joint venture and associate	38	0	38	100.0%
Reversal of allowance for obsolete inventories	-2	-2	0	0.0%
Net foreign exchange differences	0	6	-6	-100.0%
Loss on disposal of property, plant and equipment, intangible assets and investment property, net	6	6	0	0.0%
Realized gain from derivatives on petroleum products	-24	-12	-12	100.0%
Adjustment for repayment of advances received for the supply of oil	0	-712	712	-100.0%
Finance costs	202	246	-44	-17.9%
Finance income	-87	-94	7	-7.4%
Gains on sale of subsidiaries	0	-17	17	-100.0%
Share in profit of joint ventures and associates, net	-323	-639	316	-49.5%
Movements in provisions	7	-33	40	-121.2%
Other adjustments	12	32	-20	-62.5%
<b>Operating profit before working capital changes</b>	<b>541</b>	<b>143</b>	<b>398</b>	<b>278.3%</b>
Change in VAT receivable	11	-11	22	-200.0%
Change in inventory	66	36	30	83.3%
Change in trade accounts receivable and other assets	157	-41	198	-482.9%
Change in trade and other payables and contract liabilities	-319	-110	-209	190.0%
Change in other taxes payable	27	14	13	92.9%
<b>Cash generated from operations</b>	<b>483</b>	<b>31</b>	<b>452</b>	<b>1458.1%</b>
Dividends received from joint ventures and associates	50	89	-39	-43.8%
Income taxes paid	-61	-104	43	-41.3%
Interest received	80	88	-8	-9.1%
Interest paid	-150	-163	13	-8.0%
<b>Net cash flow from / (used in) operating activities</b>	<b>402</b>	<b>-59</b>	<b>461</b>	<b>-781.4%</b>
<b>Cash flows from investing activities</b>				
Withdrawal/(placement) of bank deposits, net	81	-102	183	-179.4%
Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	-293	-338	45	-13.3%
Proceeds from sale of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	7	10	-3	-30.0%
Proceeds from disposal of subsidiaries	9	58	-49	-84.5%
Loans given to related parties	-35	-44	9	-20.5%
Contributions to a share / charter capital of joint venture and associate	-6	-1	-5	500.0%
Repayment of loans due from related parties	12	16	-4	-25.0%
Proceeds from leased assets	1	0	1	100.0%
Acquisition of debt securities	0	0	0	100.0%
Proceeds from Note receivable from a shareholder of a joint venture	12	0	12	100.0%
<b>Net cash flows used in investing activities</b>	<b>-212</b>	<b>-401</b>	<b>189</b>	<b>-47.1%</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	186	418	-232	-55.5%
Repayment of borrowings	-234	-618	384	-62.1%
Dividends paid to Samruk-Kazyna and National Bank of RK	-82	-37	-45	121.6%
Dividends paid to non-controlling interests	-5	-4	-1	25.0%
Share buyback by subsidiary	0	-2	2	-100.0%
Payment under financial guarantee	-1	0	-1	100.0%
Distribution to Samruk-Kazyna	-5	-36	31	-86.1%
Payment of lease liabilities principal	-11	-11	0	0.0%
<b>Net cash flows used in financing activities</b>	<b>-152</b>	<b>-290</b>	<b>138</b>	<b>-47.6%</b>
Effects of exchange rate changes	101	-9	110	-1222.2%
Change in allowance for expected credit losses	0	0	0	100.0%
<b>Net change in cash and cash equivalents</b>	<b>139</b>	<b>-759</b>	<b>898</b>	<b>-118.3%</b>
Cash and cash equivalents, at the beginning of the year	1,064	1,546	-482	-31.2%
Cash and cash equivalents, at the end of the period	1,203	787	416	52.9%

Note: Subtotals may not be equal to subtotals in the issued financial statements due to rounding.

# Consolidated statement of cash flows – direct (not part of financial statements, unaudited)

In KZT bn

	9M2020	9M2019 Reclassified*	Change	Change, %
<b>Cash flows from operating activities</b>				
Receipts from customers	3,830	4,930	-1,100	-22.3%
Payments to suppliers	-2,318	-3,539	1,221	-34.5%
Other taxes and payments to the budget	-789	-1,058	269	-25.4%
Income taxes paid	-61	-104	43	-41.3%
Interest received	80	88	-8	-9.1%
Interest paid	-150	-163	13	-8.0%
Payments to employees	-261	-270	9	-3.3%
Tax returns	49	25	24	96.0%
Dividends received from joint ventures and associates	50	89	-39	-43.8%
Other payments, net	-28	-57	29	-50.9%
<b>Net cash flows (used in) / from operating activities</b>	<b>402</b>	<b>-59</b>	<b>461</b>	<b>-781.4%</b>
<b>Cash flows from investing activities</b>				
Withdrawal/(placement) of bank deposits, net	81	-102	183	-179.4%
Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	-293	-338	45	-13.3%
Proceeds from sale of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	7	10	-3	-30.0%
Proceeds from disposal of subsidiaries	9	58	-49	-84.5%
Loans given to related parties	-35	-44	9	-20.5%
Contributions to a share / charter capital of joint venture and associate	-6	-1	-5	500.0%
Repayment of loans due from related parties	12	16	-4	-25.0%
Proceeds from leased assets	1	0	1	100.0%
Acquisition of debt securities	0	0	0	100.0%
Proceeds from Note receivable from a shareholder of a joint venture	12	0	12	100.0%
<b>Net cash flows used in investing activities</b>	<b>-212</b>	<b>-401</b>	<b>189</b>	<b>-47.1%</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	186	418	-232	-55.5%
Repayment of borrowings	-234	-618	384	-62.1%
Dividends paid to Samruk-Kazyna and National Bank of RK	-82	-37	-45	121.6%
Dividends paid to non-controlling interests	-5	-4	-1	25.0%
Share buyback by subsidiary	0	-2	2	-100.0%
Payment under financial guarantee	-1	0	-1	100.0%
Distribution to Samruk-Kazyna	-5	-36	31	-86.1%
Payment of lease liabilities principal	-11	-11	0	0.0%
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<b>Net change in cash and cash equivalents</b>	<b>139</b>	<b>-759</b>	<b>898</b>	<b>-118.3%</b>
Cash and cash equivalents, at the beginning of the year	1,064	1,546	-482	-31.2%
Cash and cash equivalents, at the end of the period	1,203	787	416	52.9%

\*Dividends received from joint ventures and associates were reclassified to cash flows from operating activities.

23 Note: Subtotals may not be equal to subtotals in the issued financial statements due to rounding.

