

Zhaikmunai LLP

Interim condensed financial statements (unaudited)

For the three months ended 31 March 2021

Contents

Interim condensed statement of financial position	2
Interim condensed statement of comprehensive income.....	3
Interim condensed statement of cash flows.....	4
Interim condensed statement of changes in equity.....	5
Notes to the Interim condensed financial statements.....	6
1. General	6
2. Basis of preparation.....	7
3. Changes in accounting policies and disclosures	8
4. Property, plant and equipment	8
5. Inventories	8
6. Prepayments and other current assets	9
7. Trade receivables.....	9
8. Cash and cash equivalents	9
9. Borrowings	9
10. Trade payables.....	11
11. Other current liabilities	11
12. Revenue.....	12
13. Cost of sales	12
14. General and administrative expenses.....	12
15. Selling and transportation expenses	12
16. Taxes other than income tax	13
17. Finance costs.....	13
18. Other expenses and other income	13
19. Income tax expense.....	13
20. Related party transactions	14
21. Contingent liabilities and commitments.....	14
22. Fair values of financial instruments	15
23. Events after the reporting period.....	15

Interim condensed statement of financial position

<i>In thousands of US Dollars</i>	Notes	31 March 2021 (unaudited)	31 December 2020 (audited)
Assets			
Non-current assets			
Property, plant and equipment, net	4	321,171	339,406
Right of use assets		2,071	2,755
Advances for non-current assets		591	590
Restricted cash	8	7,712	7,713
		331,545	350,464
Current assets			
Inventories	5	27,992	28,805
Prepayments and other current assets	6	9,243	9,180
Income tax prepayment		142	–
Trade receivables	7	20,777	13,540
Cash and cash equivalents	8	31,616	12,511
		89,770	64,036
TOTAL ASSETS		421,315	414,500
Equity and liabilities			
Capital and reserves			
Partnership capital	9	4,112	4,112
Other reserves		32,586	32,586
Accumulated losses and reserves		(863,868)	(845,518)
		(827,170)	(808,820)
Non-current liabilities			
Long-term borrowings	9	1,135,035	1,134,979
Long-term finance guarantee	9	1,217	1,559
Long-term lease liability		–	35
Abandonment and site restoration provision		29,034	28,936
Due to Government of Kazakhstan		4,765	4,832
Deferred tax liability	19	8,063	4,712
		1,178,114	1,175,053
Current liabilities			
Current portion of long-term borrowings	9	36,901	11,125
Current portion of finance guarantee	9	1,594	1,594
Current portion of lease liability		2,169	2,790
Trade payables	10	5,723	8,100
Advances received		102	186
Current portion of due to Government of Kazakhstan		1,031	1,031
Other current liabilities	11	22,851	23,441
		70,371	48,267
TOTAL EQUITY AND LIABILITIES		421,315	414,500

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhemart Darkeev

Olga Shoshinova

The accounting policies and explanatory notes on pages 6 through 15 are an integral part of these interim condensed financial statements

Interim condensed statement of comprehensive income

<i>In thousands of US Dollars</i>	Notes	Three months ended 31 March	
		2021 (unaudited)	2020 (unaudited)
Revenue			
Revenue from export sales		39,195	42,290
Revenue from domestic sales		6,995	18,087
	12	46,190	60,377
Cost of sales	13	(25,447)	(33,764)
Gross profit		20,743	26,613
General and administrative expenses	14	(1,232)	(2,463)
Selling and transportation expenses	15	(6,262)	(10,070)
Taxes other than income tax	16	(3,717)	(4,504)
Finance costs	17	(26,377)	(25,624)
Foreign exchange loss		(82)	(1,679)
Interest income		54	30
Other income	18	2,572	1,438
Other expenses	18	(698)	(840)
Loss before income tax		(14,999)	(17,099)
Deferred income tax benefit		(3,351)	(8,310)
Income tax expense	19	(3,351)	(8,310)
Loss for the year		(18,350)	(25,409)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(18,350)	(25,409)

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Chief Accountant of Zhaikmunai LLP



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Interim condensed statement of cash flows

In thousands of US Dollars	Notes	Three months ended 31 March	
		2021 (unaudited)	2020 (unaudited)
Cash flow from operating activities:			
Loss before income tax		(14,999)	(17,099)
Adjustments for:			
Depreciation, depletion and amortisation	13,14,15	18,672	23,517
Finance costs	17	26,637	25,624
Interest income		(54)	(30)
Foreign exchange loss/(gain) on investing and financing activities		5	(223)
Loss on disposal of property, plant and equipment		13	(3)
Finance guarantee gain	9	(342)	(320)
Provision for doubtful debts		20	–
(Reversal) / accrued liabilities		(1,467)	–
Operating profit before working capital changes		28,485	31,466
Changes in working capital:			
Change in inventories		813	2,140
Change in trade receivables		(7,237)	4,948
Change in prepayments and other current assets		743	3,029
Change in trade payables		(57)	(4,331)
Change in advances received		(84)	(224)
Change in due to Government of Kazakhstan		(258)	–
Change in other current liabilities		(998)	(3,534)
Cash generated from operations		21,407	33,494
Income tax paid		(150)	(670)
Net cash flows from operating activities		21,257	32,824
Cash flow from investing activities:			
Interest received		54	30
Purchase of property, plant and equipment		(1,166)	(12,073)
Exploration and evaluation works		–	(95)
Net cash used in investing activities		(1,112)	(12,138)
Cash flow from financing activities:			
Finance costs paid		–	(2,678)
Payment of finance lease liabilities		(656)	(1,651)
Finance charges on lease liabilities		(103)	–
Transfer to restricted cash		–	(7)
Net cash used in financing activities		(759)	(4,336)
Effects of exchange rate changes on cash and cash equivalents		(22)	(529)
Net increase in cash and cash equivalents		19,364	15,821
Cash and cash equivalents at the beginning of the period		12,511	13,716
Cash and cash equivalents at the end of the period		31,616	29,537

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Interim condensed statement of changes in equity

<i>In thousands of US Dollars</i>	Partnership capital	Other reserves	Accumulated losses	Total
As at 1 January 2020	4,112	32,586	(516,791)	(480,093)
Loss for the period	–	–	(25,409)	(25,409)
Total comprehensive loss for the period	–	–	(25,409)	(25,409)
As at 31 March 2020 (unaudited)	4,112	32,586	(542,200)	(505,502)
As at 31 December 2020 (audited)	4,112	32,586	(845,518)	(808,820)
Loss for the period	–	–	(18,350)	(18,350)
Total comprehensive loss for the period	–	–	(18,350)	(18,350)
As at 31 March 2021 (unaudited)	4,112	32,586	(863,868)	(827,170)

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhomart Dorkeev

Olga Shoshinova