

Zhaikmunai LLP

Interim condensed financial statements (unaudited)

For the nine months ended 30 September 2020

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Interim condensed statement of financial position

<i>In thousands of US Dollars</i>	Notes	30 September 2020 (unaudited)	31 December 2019 (audited)
Assets			
Non-current assets			
Property, plant and equipment, net	4	620,635	661,185
Right of use assets		849	6,875
Exploration and evaluation assets	5	151	1,368
Advances for non-current assets	9	948	7,620
Restricted cash		7,160	7,620
		629,743	677,048
Current assets			
Inventories	6	28,979	35,849
Prepayments and other current assets	7	6,436	10,609
Trade receivables	8	13,230	31,239
Income tax prepayment		402	-
Cash and cash equivalents	9	28,197	13,716
		77,244	91,413
Disposal group	10	858	768,461
		707,845	768,461
Total assets			
Equity and liabilities			
Partnership capital and reserves			
Partnership capital		4,112	4,112
Other reserves		32,586	32,586
Retained earnings		(602,200)	(516,791)
		(565,502)	(480,093)
Non-current liabilities			
Long-term borrowings	11	1,117,428	1,100,573
Long-term finance guarantee	11	1,903	2,887
Long-term lease liability		100	641
Abandonment and site restoration provision		30,059	27,502
Due to Government of Kazakhstan		4,832	5,070
Deferred tax liability		49,935	40,924
		1,204,257	1,177,597
Current liabilities			
Current portion of long-term borrowings	11	31,171	4,013
Current portion of finance guarantee	11	1,594	1,594
Current portion of lease liability	12	946	6,735
Trade payables		9,494	29,395
Advances received		296	335
Income tax payable		-	216
Current portion of due to Government of Kazakhstan		1,031	1,031
Other current liabilities	13	23,626	27,638
		68,158	70,957
Disposal group		932	768,461
		707,845	768,461
Total equity and liabilities			

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



The accounting policies and explanatory notes on pages 5 through 17 are an integral part of these financial statements

Interim condensed statement of comprehensive income

In thousands of US Dollars	Notes	Three months ended 30 September		Nine months ended 30 September	
		2020 (unaudited)	2019 (unaudited)	2020 (unaudited)	2019 (unaudited)
Revenue					
Revenue from export sales		38,831	45,507	105,049	167,464
Revenue from domestic sales		4,358	30,644	30,776	82,874
	14	43,189	76,151	135,825	250,338
Cost of sales					
	15	(28,273)	(36,297)	(92,871)	(116,561)
Gross profit		14,916	39,854	42,954	133,777
General and administrative expenses					
General and administrative expenses	16	(1,504)	(3,001)	(5,062)	(8,971)
Selling and transportation expenses	17	(6,734)	(10,908)	(24,761)	(35,043)
Finance costs	18	(26,113)	(8,357)	(77,668)	(31,958)
Taxes other than income tax	19	(4,126)	(5,573)	(10,954)	(17,560)
Foreign exchange (loss) / gain, net		(47)	289	(411)	674
Interest income		45	19	216	58
Other income		984	851	2,950	3,555
Other expenses		(2,559)	(2,829)	(3,697)	(4,124)
(Loss) / profit before income tax		(25,138)	10,345	(76,433)	40,408
Current income tax expense		(319)	-	35	(48)
Deferred income tax loss		(5,718)	(11,380)	(9,011)	(32,997)
Income tax expense	20	(6,037)	(11,380)	(8,976)	(33,045)
Loss for the period		(31,175)	(1,035)	(85,409)	7,363
Other comprehensive income for the period					
		-	-	-	-
Total comprehensive (loss) / income for the period		(31,175)	(1,035)	(85,409)	7,363

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhomart Darkeev

Olga Shoshinova

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Interim condensed statement of cash flows

In thousands of US Dollars	Notes	Nine months ended 30 September	
		2020 (unaudited)	2019 (unaudited)
Cash flow from operating activities:			
(Loss) / profit before income tax		(76,433)	40,408
Adjustments for:			
Depreciation, depletion and amortisation	15,16	63,653	94,054
Finance costs	18	77,667	31,958
Interest income		(216)	(58)
Foreign exchange (gain)/loss on investing and financing activities		(1,217)	29
Loss on disposal of property, plant and equipment		25	—
Accrued liabilities		—	(622)
Other income		(984)	(906)
Operating profit before working capital changes		62,495	164,863
Changes in working capital:			
Change in inventories		6,870	(3,027)
Change in trade receivables		18,009	3,345
Change in prepayments and other current assets		4,173	9,039
Change in trade payables		(11,974)	(640)
Change in advances received		(39)	(282)
Change in due to Government of Kazakhstan		(773)	(773)
Change in other current liabilities		(2,996)	1,099
Cash generated from operations		75,765	173,624
Income tax paid		(1,022)	(3,476)
Net cash flows from operating activities		74,743	170,148
Cash flow from investing activities:			
Interest received		216	58
Purchase of property, plant and equipment		(22,766)	(87,187)
Exploration and evaluation works		(637)	(332)
Net cash used in investing activities		(23,187)	(87,461)
Cash flow from financing activities:			
Finance costs paid		(49,654)	(52,722)
Payment of finance lease liabilities		(4,486)	(14,323)
Transfer to restricted cash		(6)	(333)
Proceeds from borrowings		16,700	5,000
Net cash used in financing activities		(37,446)	(62,378)
Effects of exchange rate changes on cash and cash equivalents		371	(106)
Net increase in cash and cash equivalents		14,481	20,203
Cash and cash equivalents at the beginning of the period		13,716	7,034
Cash and cash equivalents at the end of the period		28,197	27,237

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhanart Darkeev
Olga Shoshinova

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Interim condensed statement of changes in equity

<i>In thousands of US Dollars</i>	Partnership capital	Other reserves	Retained earnings	Total
As at 1 January 2019 (audited)	4,112	32,586	468,579	505,277
Profit for the period	–	–	7,363	7,363
Total comprehensive income for the period	–	–	7,363	7,363
As at 30 September 2019 (unaudited)	4,112	32,586	475,942	512,640
As at 31 December 2019 (audited)	4,112	32,586	(516,791)	(480,093)
Loss for the period	–	–	(85,409)	(85,409)
Total comprehensive loss for the period	–	–	(85,409)	(85,409)
As at 30 September 2020 (unaudited)	4,112	32,586	(802,200)	(565,502)

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zharmart Darkeev

Diga Shoshinova

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