

Zhaikmunai LLP

Interim condensed financial statements (unaudited)

For the nine months ended 30 September 2021

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Interim condensed statement of financial position

<i>In thousands of US Dollars</i>	Notes	30 September 2021 (unaudited)	31 December 2020 (audited)
Assets			
Non-current assets			
Property, plant and equipment, net	4	288,637	339,406
Right of use assets		668	2,755
Advances for non-current assets		617	590
Restricted cash	8	7,310	7,713
		297,232	350,464
Current assets			
Inventories	5	33,135	28,805
Prepayments and other current assets	6	9,298	9,180
Income tax prepayment		499	–
Trade receivables	7	8,730	13,540
Cash and cash equivalents	8	70,753	12,511
		122,415	64,036
TOTAL ASSETS		419,647	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		(884,465)	(845,518)
		(847,767)	(808,820)
Non-current liabilities			
Long-term borrowings	9	1,155,448	1,134,979
Long-term finance guarantee	9	729	1,559
Long-term lease liability		–	35
Abandonment and site restoration provision		28,771	28,936
Due to Government of Kazakhstan		4,630	4,832
Deferred tax liability	19	14,847	4,712
		1,204,425	1,175,053
Current liabilities			
Current portion of long-term borrowings	9	33,077	11,125
Current portion of finance guarantee	9	1,365	1,594
Current portion of lease liability		699	2,790
Trade payables	10	7,509	8,100
Advances received		86	186
Current portion of due to Government of Kazakhstan		1,031	1,031
Other current liabilities	11	19,222	23,441
		62,989	48,267
TOTAL EQUITY AND LIABILITIES		419,647	414,500

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Interim condensed statement of comprehensive income

In thousands of US Dollars	Notes	Three months ended 30 September		Nine months ended 30 September	
		2021 (unaudited)	2020 (unaudited)	2021 (unaudited)	2020 (unaudited)
Revenue					
Revenue from export sales		43,817	38,831	122,954	105,049
Revenue from domestic sales		6,537	4,358	19,711	30,776
	12	50,354	43,189	142,665	135,825
Cost of sales	13	(23,017)	(28,273)	(72,600)	(92,871)
Gross profit		27,337	14,916	70,065	42,954
General and administrative expenses	14	(1,423)	(1,504)	(4,096)	(5,062)
Selling and transportation expenses	15	(5,377)	(6,734)	(17,523)	(24,761)
Taxes other than income tax	16	(4,638)	(4,126)	(12,398)	(10,954)
Finance costs	17	(21,678)	(26,113)	(73,422)	(77,668)
Foreign exchange loss		(10)	(47)	(244)	(411)
Interest income		71	45	183	216
Other income	18	6,470	984	10,647	2,950
Other expenses	18	(470)	(2,559)	(1,440)	(3,697)
Loss before income tax		282	(25,138)	(28,228)	(76,433)
Current income tax expense		–	(319)	(584)	35
Deferred income tax benefit		(4,557)	(5,718)	(10,135)	(9,011)
Income tax expense	19	(4,557)	(6,037)	(10,719)	(8,976)
Loss for the period		(4,275)	(31,175)	(38,947)	(85,409)
Other comprehensive income for the period		–	–	–	–
Total comprehensive loss for the period		(4,275)	(31,175)	(38,947)	(85,409)

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhoman Darkeev

Olga Shoshinova

Interim condensed statement of cash flows

<i>In thousands of US Dollars</i>	Notes	Nine months ended 30 September	
		2021 (unaudited)	2020 (unaudited)
Cash flow from operating activities:			
Loss before income tax		(28,228)	(76,433)
Adjustments for:			
Depreciation, depletion and amortisation	13,14,15	52,442	63,653
Finance costs	17	73,422	77,667
Interest income		(183)	(216)
Foreign exchange loss/(gain) on investing and financing activities		75	(1,217)
Loss on disposal of property, plant and equipment		(46)	25
Finance guarantee gain	9	(1,059)	(984)
Income from disposal of EE		(749)	–
Provision for doubtful debts		22	–
Previous periods borrowing costs adjustment		(4,896)	–
Operating profit before working capital changes		90,800	62,495
Changes in working capital:			
Change in inventories		695	6,870
Change in trade receivables		4,810	18,009
Change in prepayments and other current assets		686	4,173
Change in trade payables		(1,466)	(11,974)
Change in advances received		(100)	(39)
Change in due to Government of Kazakhstan		(774)	(773)
Change in other current liabilities		(1,966)	(2,996)
Cash generated from operations		92,685	75,765
Income tax paid		(2,224)	(1,022)
Net cash flows from operating activities		90,461	74,743
Cash flow from investing activities:			
Interest received		183	216
Purchase of property, plant and equipment		(4,805)	(22,766)
Exploration and evaluation works		–	(637)
Advances for non-current assets		(27)	–
Net cash used in investing activities		(4,649)	(23,187)
Cash flow from financing activities:			
Finance costs paid		(45,600)	(49,654)
Payment of finance lease liabilities		(2,002)	(4,172)
Finance charges on lease liabilities		(221)	(314)
Transfer to restricted cash		(3)	(6)
Proceeds from borrowings		20,300	16,700
Net cash used in financing activities		(27,526)	(37,446)
Effects of exchange rate changes on cash and cash equivalents		(44)	371
Net increase in cash and cash equivalents		58,242	14,481
Cash and cash equivalents at the beginning of the period		12,511	13,716
Cash and cash equivalents at the end of the period		70,753	28,197

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhomart 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 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	–	–	(85,409)	(85,409)
Total comprehensive loss for the period	–	–	(85,409)	(85,409)
As at 30 September 2020 (unaudited)	4,112	32,586	(602,200)	(565,502)
As at 31 December 2020 (audited)	4,112	32,586	(845,518)	(808,820)
Loss for the period	–	–	(38,947)	(38,947)
Total comprehensive loss for the period	–	–	(38,947)	(38,947)
As at 30 September 2021 (unaudited)	4,112	32,586	(884,465)	(847,767)

General Director of Zhaikmunai LLP

Chief Accountant of Zhaikmunai LLP



Zhomart Darkeev

Olga Shoshinova