



ҚазМұнайГаз
NATIONAL COMPANY ҰЛТТЫҚ КОМПАНИЯСЫ

KMG Operational and Financial results 1H 2020



Disclaimer

Forward-looking statements

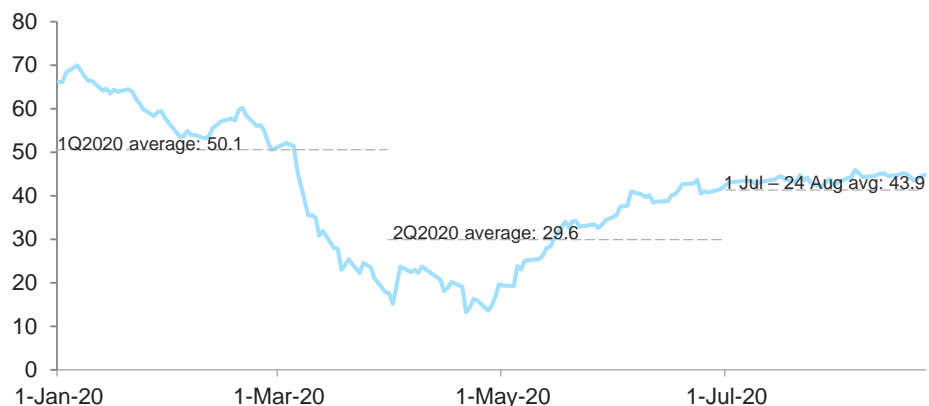
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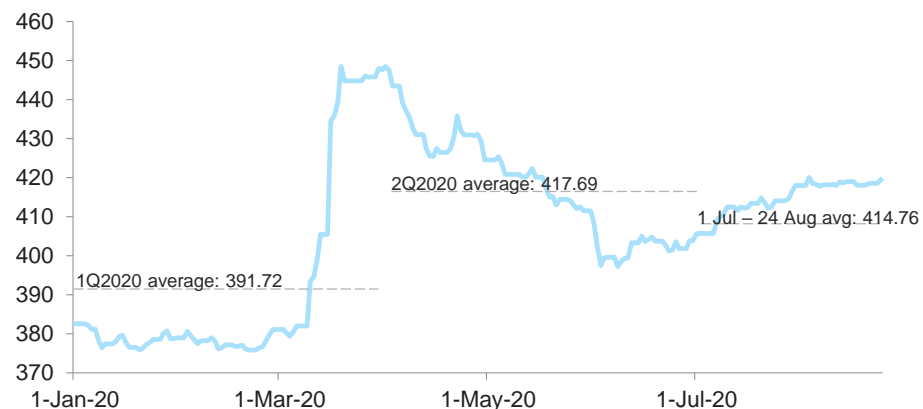
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Challenging macro environment

Dated Brent, US\$ pb¹



USDKZT²



Kazakhstan's macroeconomic indicators³

Indicators	1H2019	1H2020
GDP growth, %	4.1	-1.8
Inflation, % (June, YoY)	5.4	7.0
Base rate, % (at end-June)	9.0	9.5

FX rate ⁴	1H2019	1H2020
USDKZT, average	379.29	404.71
USDKZT, end-of period	380.53	403.93

KMG Credit ratings

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

Kazakhstan sovereign credit ratings		
Baa3 (Positive)	BBB- (Stable)	BBB (Stable)

(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 rate as of 31 December 2019: 382.59

1H 2020 Highlights

Operational results

- Oil and gas condensate production **decreased by 3.1%** year-on-year and amounted to 11,345 thous. tonnes;
- Oil and gas transportation segment showed a **decrease of 4.2% and 9.8%** and totaled to 37,329 thous. tonnes of oil and 45,172 mln m³ of gas transported correspondingly;
- Refining volumes at Kazakh and Romanian refineries **decreased by 17.1%** year-on-year to 8,290 thous. tonnes.

Financial results

- EBITDA¹ **down by 49.9%** YoY to USD 1,364 mln.
- FCF² neutral at **USD -12 mln** vs. USD 333 mln in 1H2019.
- Net debt³ at **USD 6.4 bln**, almost unchanged vs. 2019 year end.
- On 27 March, **S&P** revised the outlook on KMG from **Stable to Negative**, and affirmed the ratings at BB, followed by its revision of oil price assumptions.
- On 27 March, **Fitch** affirmed KMG's rating at 'BBB-' with a Stable Outlook.
- In May 2020, **KTG** made **early partial redemption of bonds** for the nominal amount of **USD 43.68 mln**.
- KMG paid **dividends to shareholders** in a full amount of **USD 202 mln** for 2019 as of 20 August 2020.

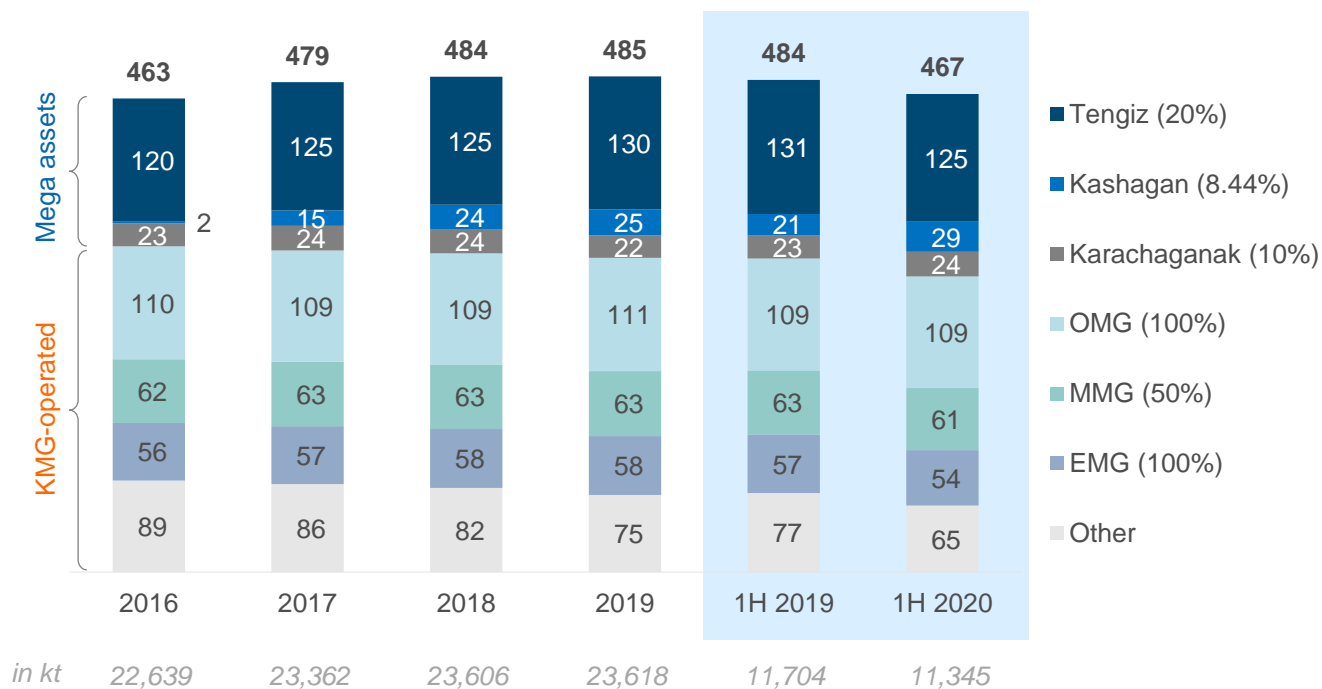
(1) The Company calculates Earnings before interest, taxes, depreciation and amortization (**EBITDA**), as "Revenue + Share in profit of JVs and associates, net – Cost of purchased oil, gas petroleum products and other materials – Production expenses – G&A expenses – Transportation and selling expenses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

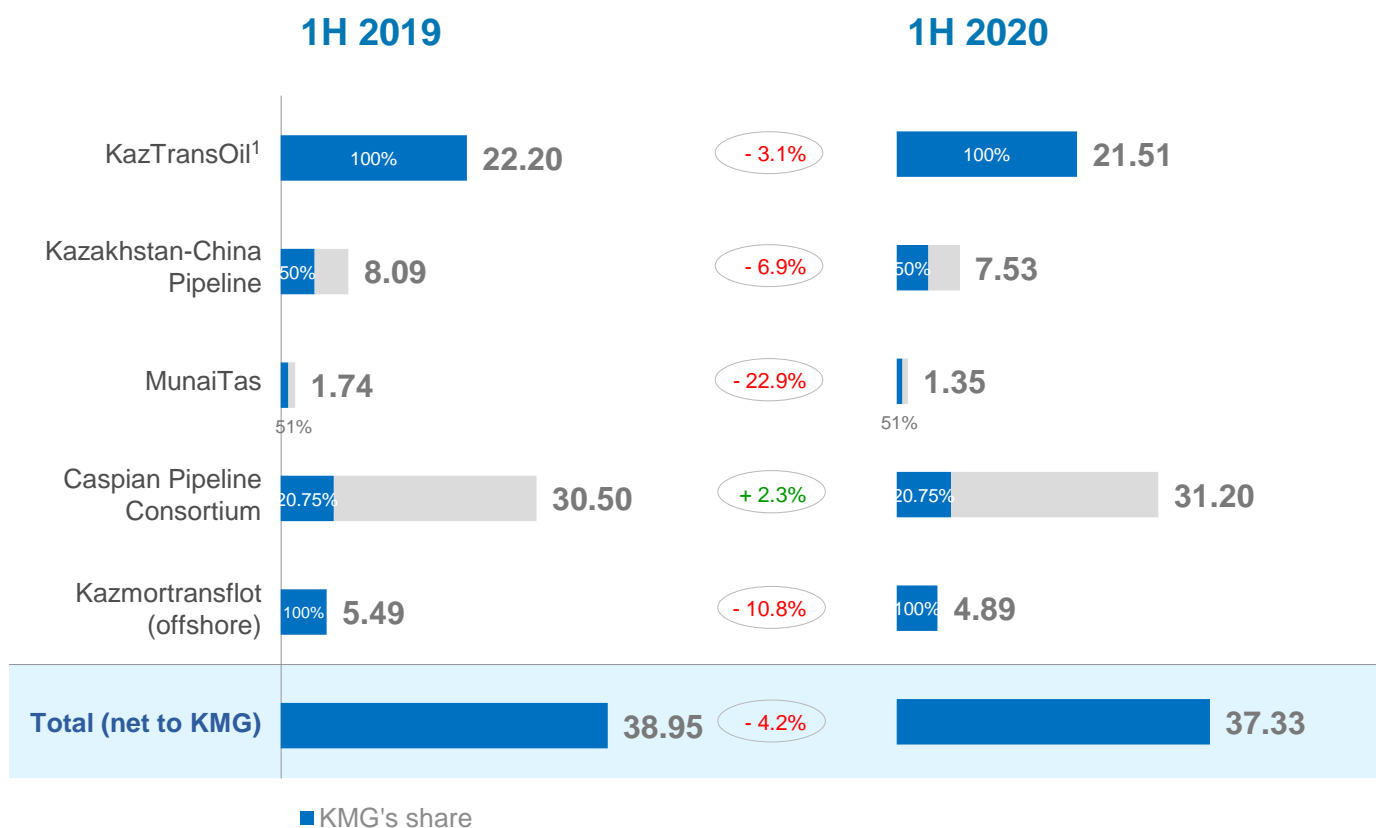
Crude oil and gas condensate production (net to KMG), kbopd¹



- KMG's share in oil production of mega fields amounted to **179 kbopd**, 2.2% up YoY
- Tengiz production down by **4.7%** in accordance with planned decline
- Kashagan production up by **42.5%** due to the conducted overhaul in 2019, which influenced the increase in the operational efficiency, increase the injection wells fund from, installation of additional reboilers on oil processing lines and commissioning of new wells
- Karachaganak production up by **5.2%** due to modernisation of the facilities² after planned preventive maintenance in September-October 2019
- KMG's share in oil production of operating assets was down by **5.8%** and amounted to **289 kbopd** due to natural decline of oil production at KGM and PKI

MIDSTREAM OIL: Decline in pipeline and offshore oil transportation

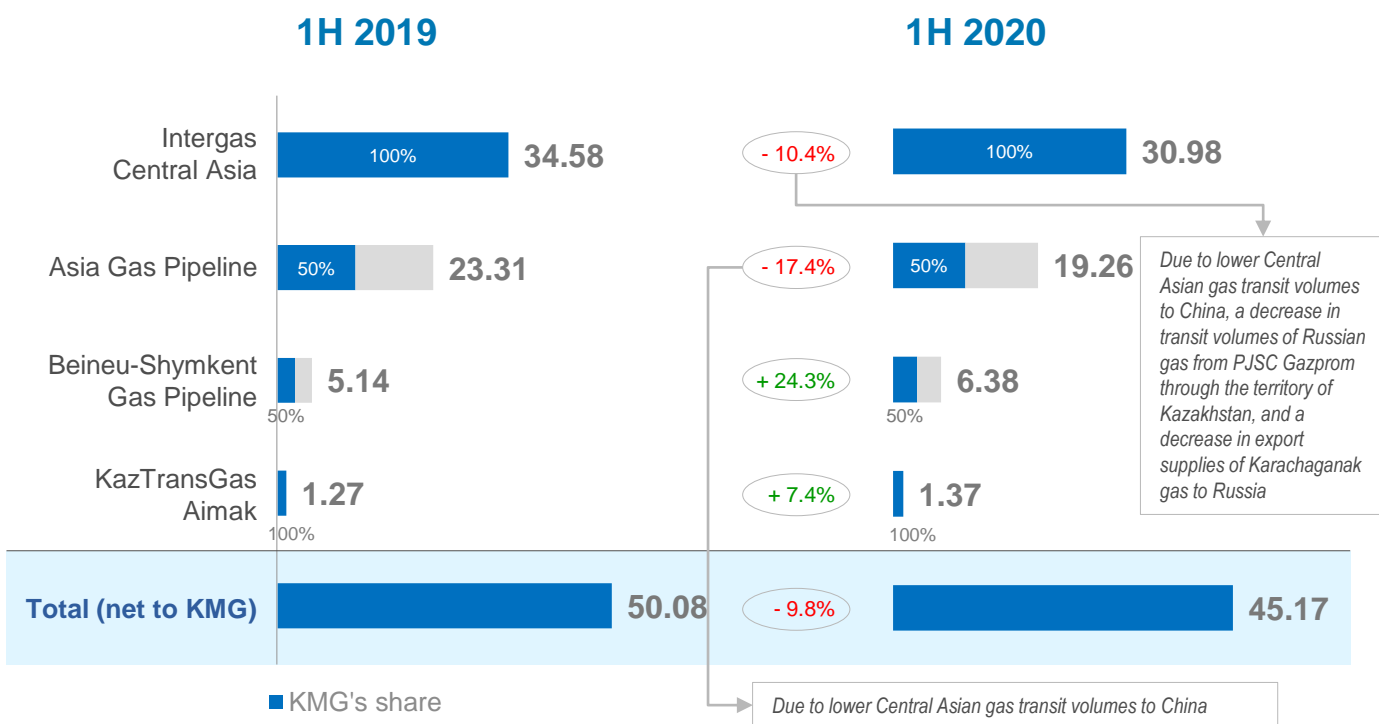
Breakdown of crude oil transportation by companies on gross basis, mt



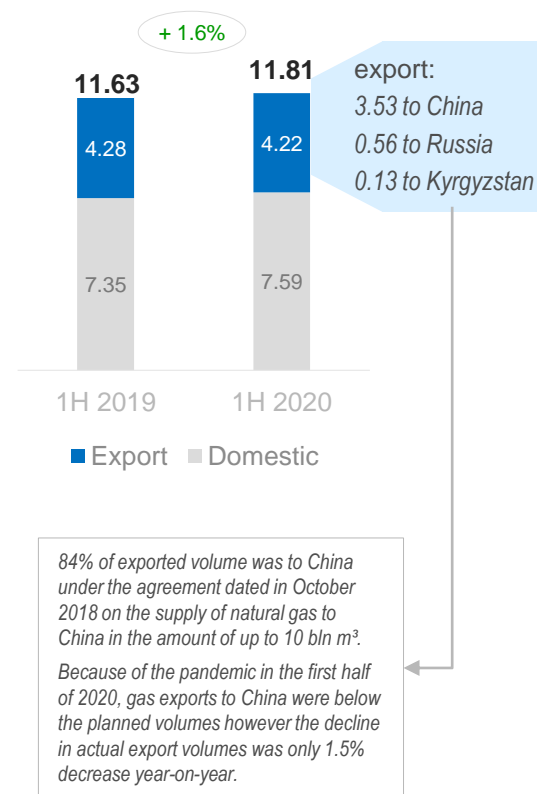
- The decrease at KTO, KCP, MT is due to the limited oil supply from CNPC Aktobemunaigas JSC and the decrease in oil supply from oil companies operating the Kumkol group of fields
- The decrease at KMTF is mostly attributable to lower dispatch volumes in the Mediterranean Sea

MIDSTREAM GAS: Decreasing gas transit volumes

Breakdown of gas transportation by companies on gross basis, bln m³

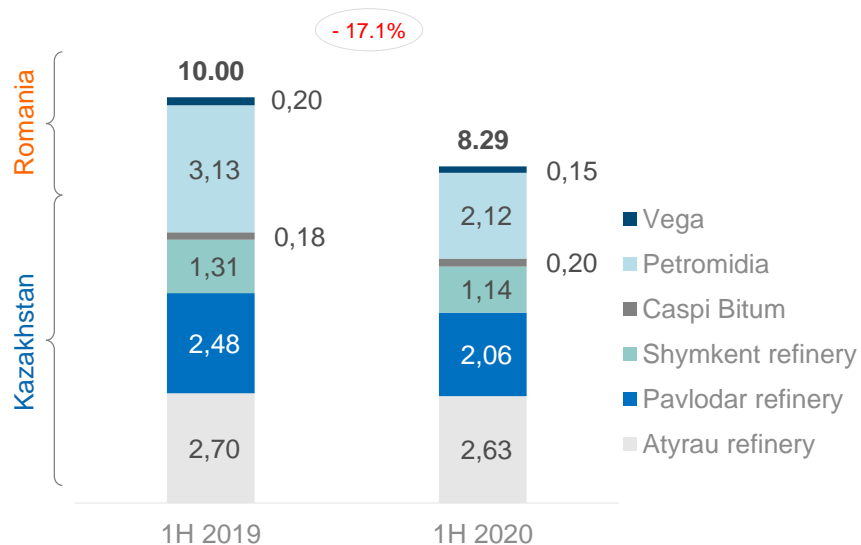


Sales volumes of KTG's¹ gas for sale, bln m³



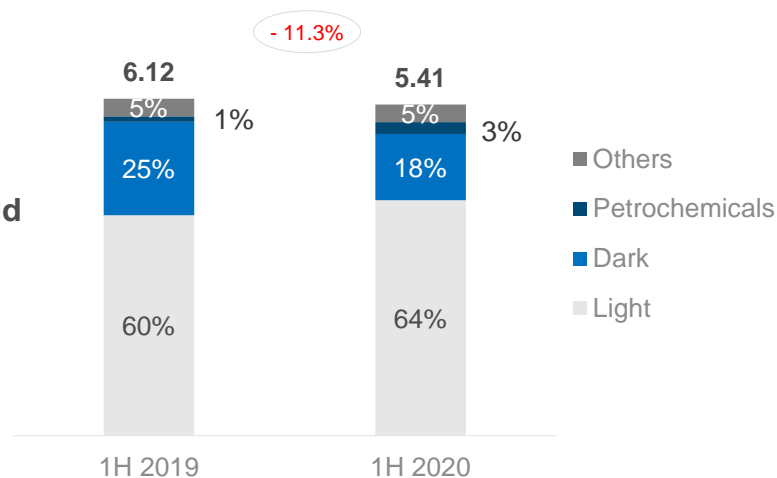
DOWNSTREAM: Decrease in refining volumes at Kazakh and Romanian refineries

Refining volume
(net to KMG¹), mt



- Romanian refining volumes down by **31.8%** due to production shutdown at Petromidia refinery that related to scheduled overhaul from March 15 to May 1, 2020
- Kazakh refining volumes down by **9.7%** due to a decrease in oil refining volumes at the Pavlodar and Shymkent to avoid overstocking of oil products as a result of the impact of the coronavirus infection COVID-19 on the consumption of oil products

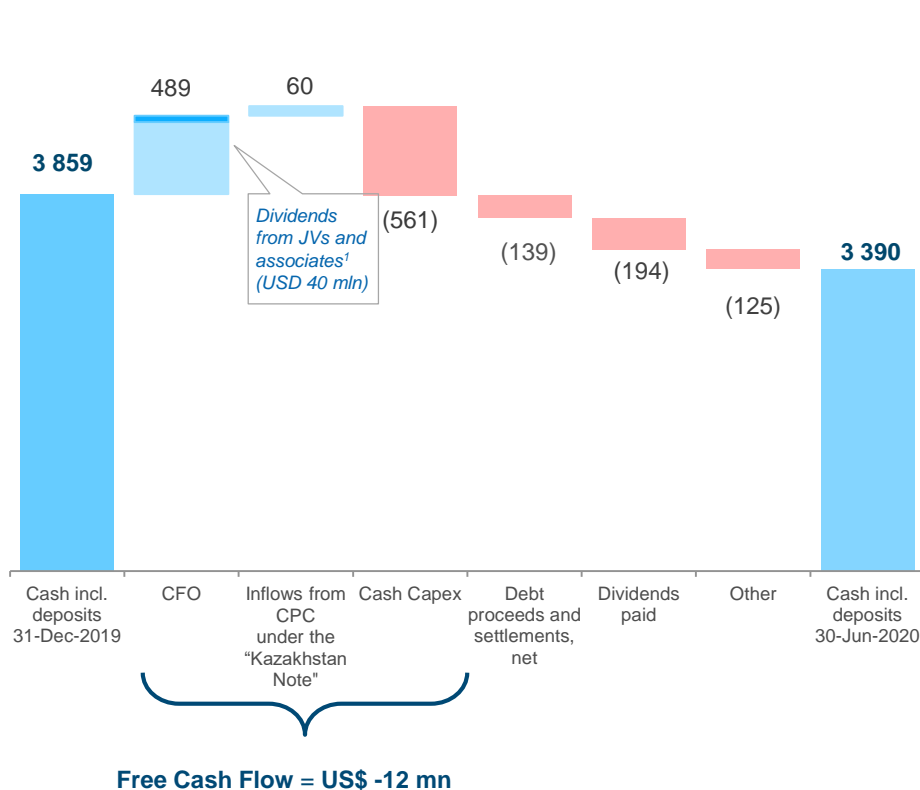
Oil products² production yield
in refineries of Kazakhstan
(net to KMG), mt



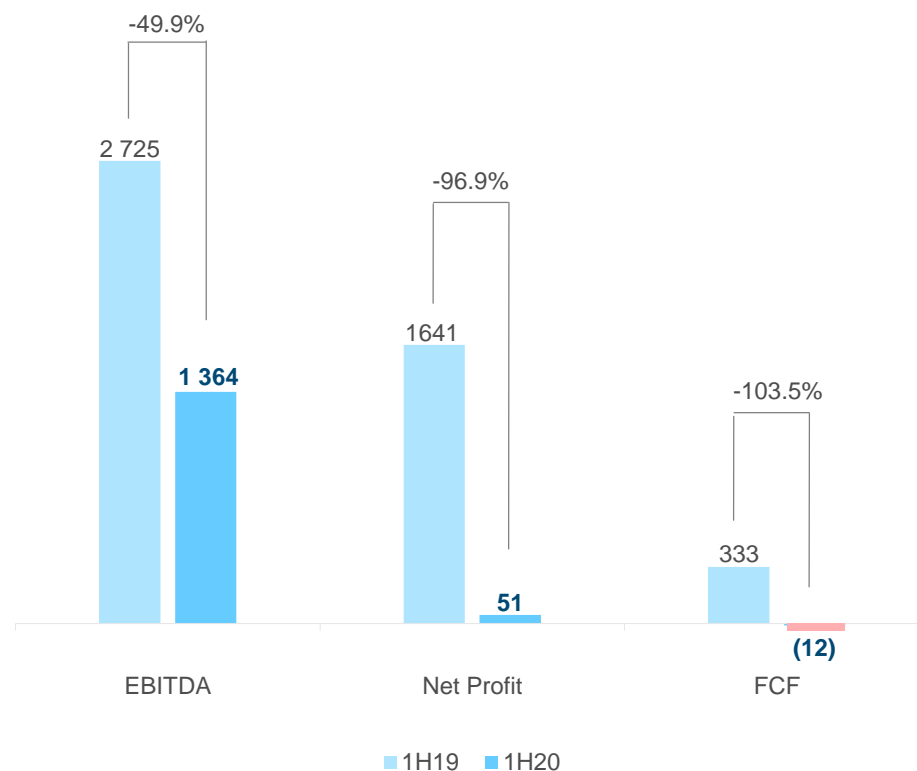
- Production of oil products at Kazakh refineries down by **11.3%** mainly due to the impact of the coronavirus infection COVID-19 on the consumption of oil products
- Light oil products yield was at **64%** in 1H 2020 compared to **60%** in 1H 2019

KMG is largely FCF neutral despite the oil price drop

Cash sources and uses, US\$ mn

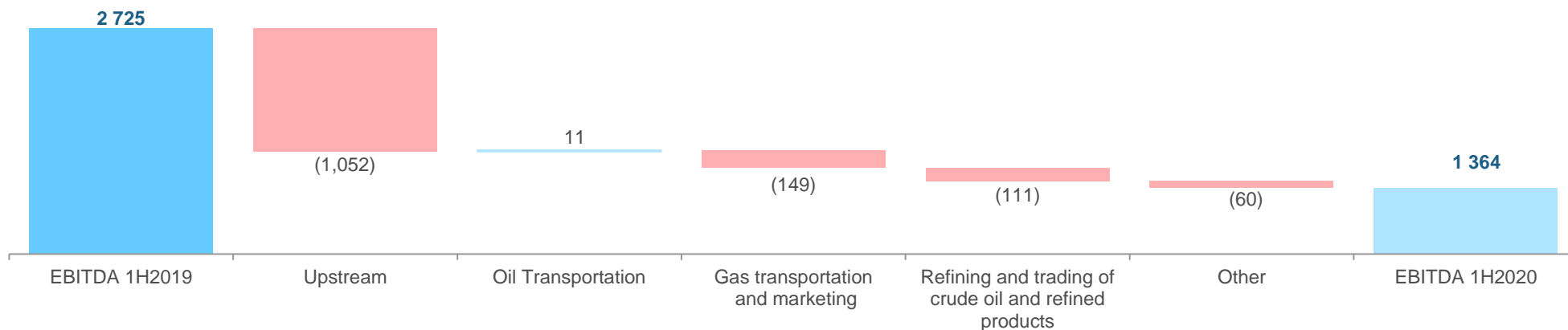


Financial indicators, US\$ mn



Change in EBITDA by segments, 1H 2020 vs. 1H 2019

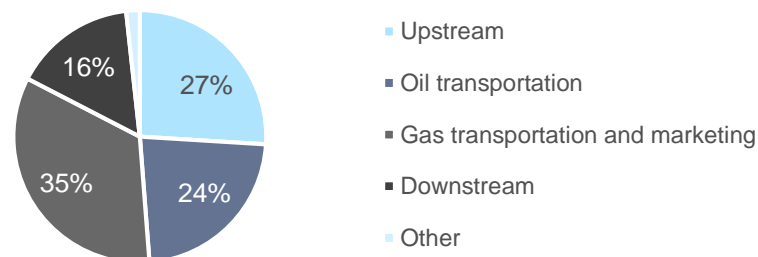
EBITDA by segments, US\$ mn (1H 2020 vs. 1H 2019)



Key factors affecting segmented EBITDA

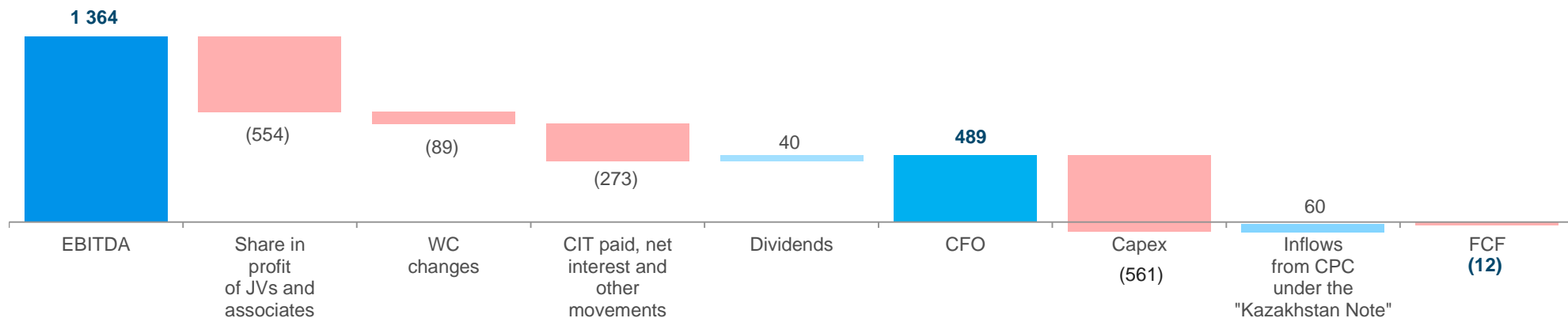
- EBITDA from “Upstream” decreased by US\$ 1,052 mn year-on-year mainly due to a sharp drop in Brent price and a decrease in crude oil production at EMG, TCO, MMG;
- Oil Transportation segment is relatively stable over the comparable periods;
- EBITDA from “Gas transportation and marketing” segment decreased by US\$ 149 mn mainly as a result of a decrease in transit volumes of gas through the territory of Kazakhstan and a decrease in export sales of gas;
- EBITDA from “Downstream” segment decreased by US\$ 111 mn as a result of a drop in trading volumes and oil products sales;
- A marginal decrease in EBITDA from “other” segment is mainly attributable to a drop in prices on oil products in the domestic market.

1H 2020 EBITDA breakdown

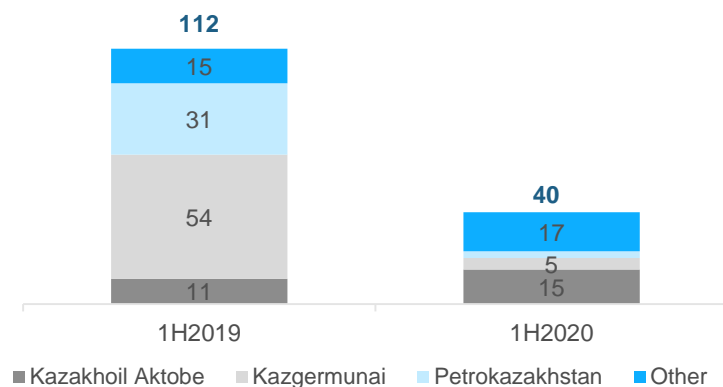


EBITDA to FCF bridge

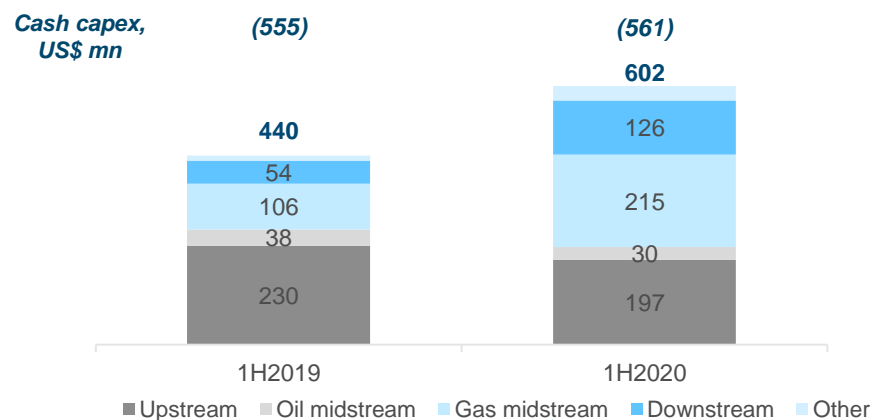
EBITDA to normalized FCF bridge 1H2020, US\$ mn



Dividends from JVs and associates, US\$ mn

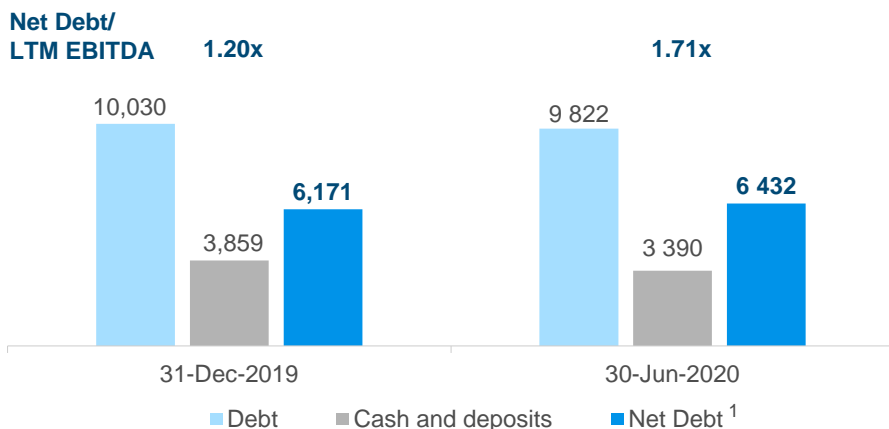


CAPEX on accrued basis, US\$ mn

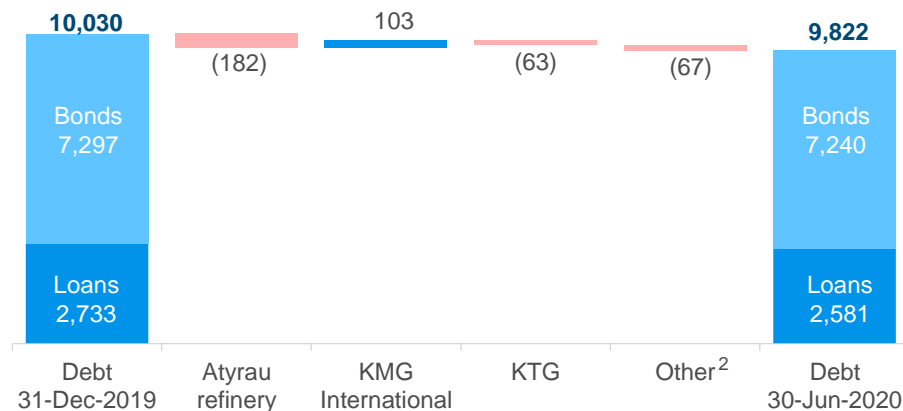


Debt profile

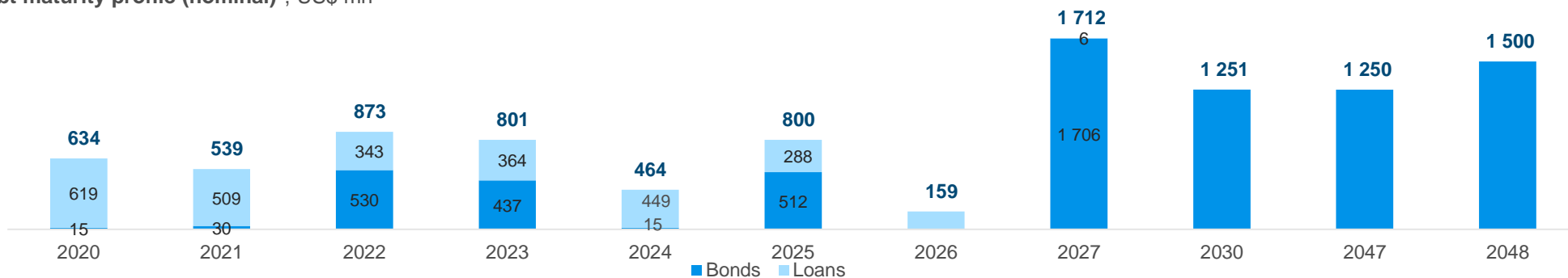
Debt and leverage, US\$ mn



Debt movement, US\$ mn



Debt maturity profile (nominal)³, US\$ mn



(1) Net Debt figures as of 30 June 2020 do not include guaranteed obligations on a syndicated loan of Beineu-Shymkent Gas Pipeline (BSGP) in the amount of 247 bn tenge (USD 612 mn), guaranteed obligation on a loan of JSC "AstanaGas KMG" in the amount of 1.9 bn tenge (USD 4.6 mn), lease liabilities in the amount of 46 bn tenge (USD 113 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).

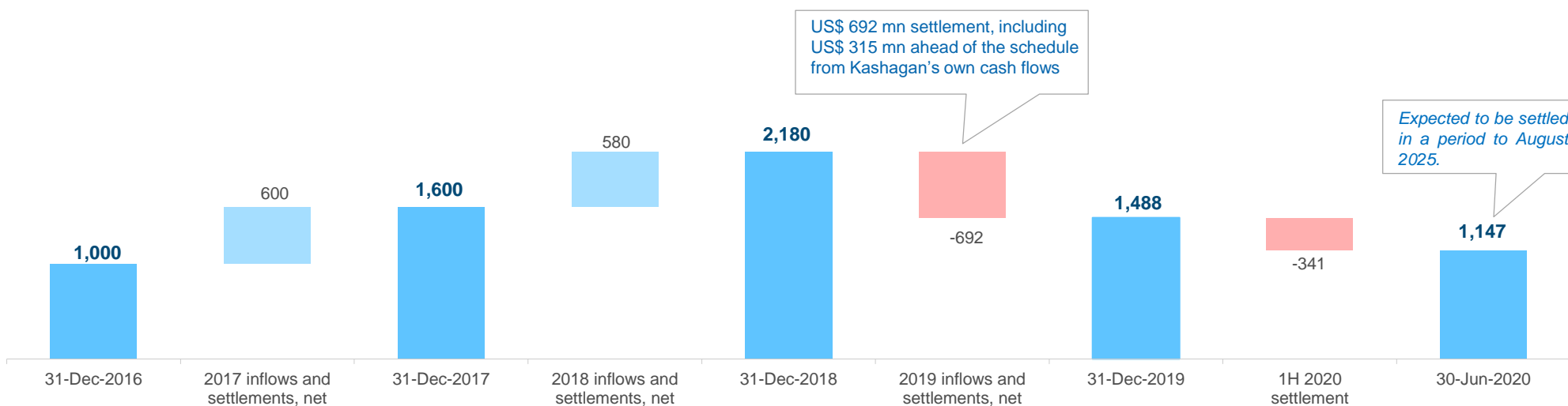
(2) Other includes change in FX rate, discounts etc.

(3) Loans includes credit lines, government loans, overdrafts, trade financing. Debt maturity profile does not reflect guarantees and carry financing as of 30 June 2020.

Note: Numbers may not sum due to rounding.

Kashagan's accelerated repayments

Kashagan crude oil prepayments movement¹, US\$ mn





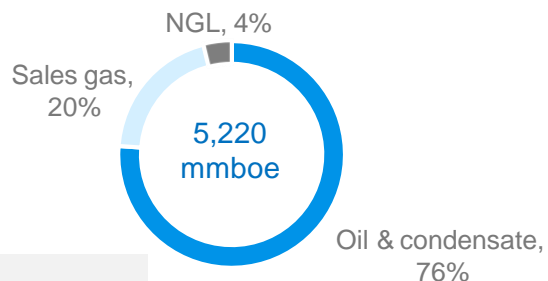
Appendix

Transition to reserves estimates in compliance with PRMS

Net reserves¹ under PRMS as of 31 December 2019

Reserves	Oil & Condensate, mln barrels	NGL ² , mln barrels	Sales Gas, Bcf	Hydrocarbon reserves, mmboe
Proved (1P)	2,825	168	5,204	3,860
Proved plus Probable (2P)	3,993	189	6,228	5,220
Proved plus Probable plus Possible (3P)	4,686	224	7,070	6,089

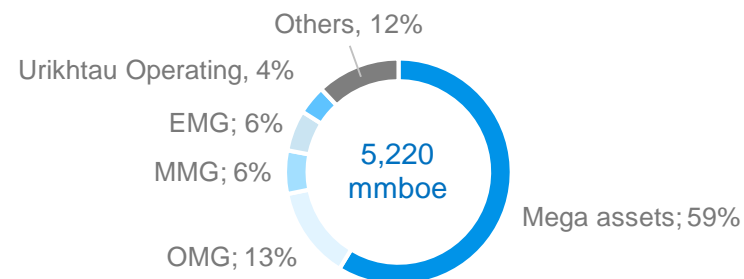
2P reserves breakdown by hydrocarbon type (2019YE, net to KMG)



23 years

2P reserve life based on 2019 oil & condensate production

2P reserves breakdown by asset (2019YE, net to KMG)

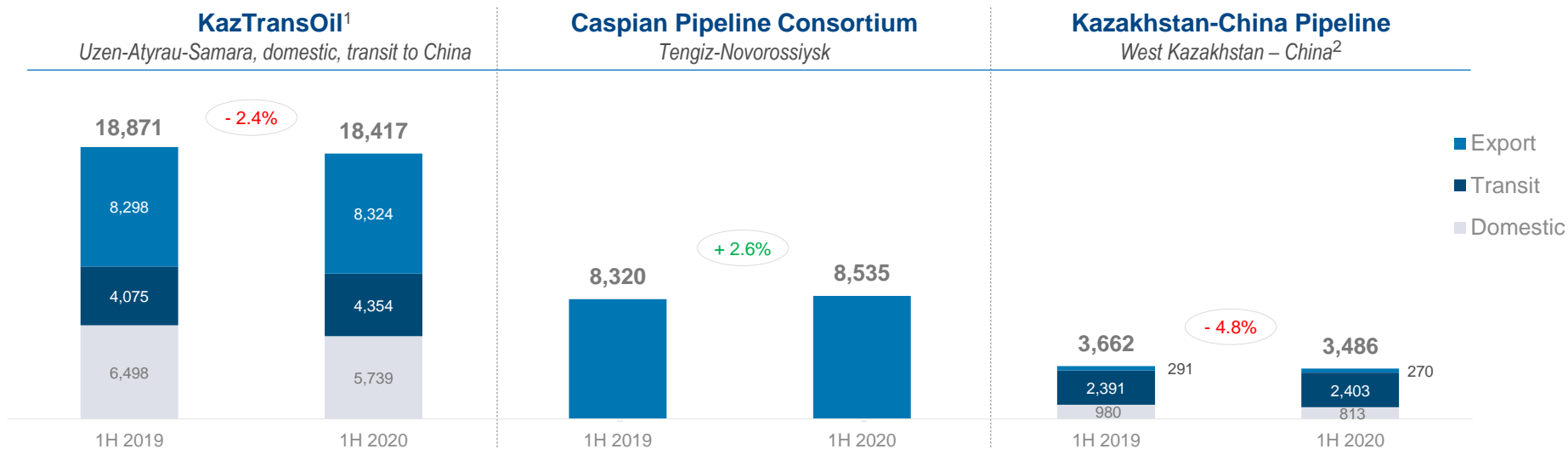


(1) Net Reserves are defined as that portion of the gross reserves attributable to the interest held by KMG after deducting all interest held by others, as well as interests that are not held by KMG, but which KMG controls. MMboe= million barrels of oil equivalent; bcf = billion cubic feet; 6,000 cf = 1 boe.

(2) Natural Gas Liquids.

Midstream: Oil transportation turnover

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



Oil transportation tariffs in 1H 2020

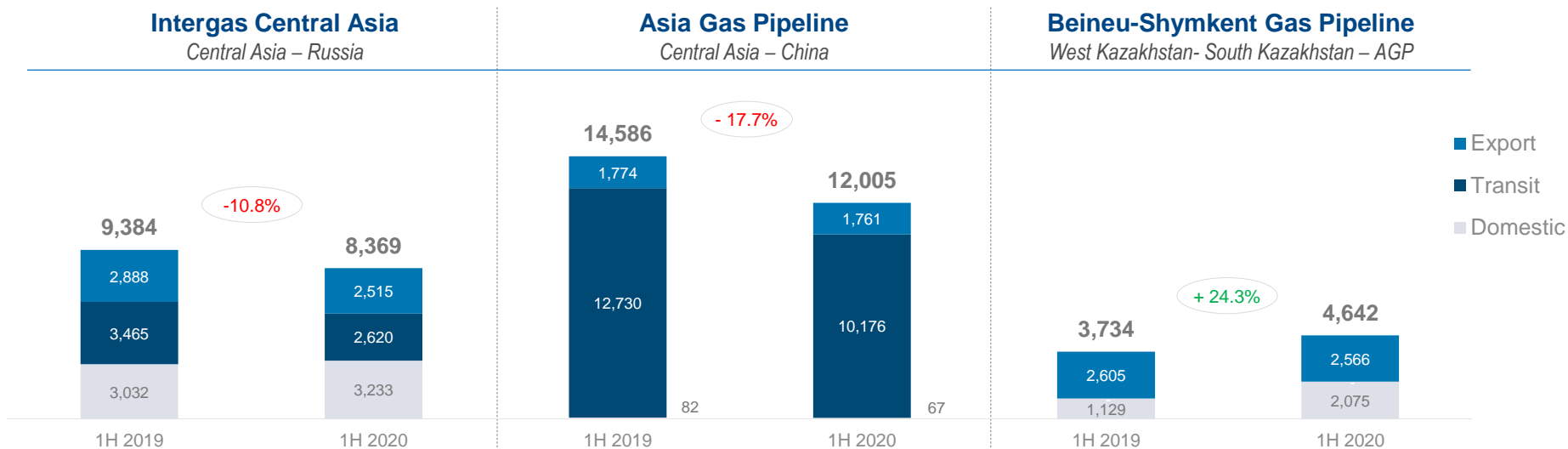
Company	Direction	UoM	Average tariffs	% change 1H 2019 vs 1H 2020
KazTransOil	Export	tn per 1,000 km	7,119 KZT	+ 11.3%
	Domestic	tn per 1,000 km	4,110 KZT	- 13.0%
	Transit	per tonne	4.23 USD	no change
Caspian Pipeline Consortium	Export	per tonne	38.00 USD	+ 5.6%
Kazakhstan-China Pipeline	Export	tn per 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 m³*km)



Gas transportation tariffs in 1H 2020

Company	Direction	UoM	Average tariffs	% change 1H2019 vs 1H2020
Intergas Central Asia	Export	1,000 m ³ per 100 km	4.07 USD	+ 6.7%
	Domestic	1,000 m ³	2,238 KZT	- 0.03%
	Transit	1,000 m ³ per 100 km	2.04 USD	+ 1.6%
Asia Gas Pipeline	Export	1,000 m ³ per 100 km	3.58 USD	no change
	Domestic	1,000 m ³ per 100 km	555 KZT	change in methodology ¹
	Transit	1,000 m ³ per 100 km	3.58 USD	no change
Beineu-Shymkent Gas Pipeline	Export	1,000 m ³ per 100 km	1,200 KZT	change in methodology ¹
	Domestic	1,000 m ³ per 100 km	1,200 KZT	change in methodology ¹

(1) The pricing methodology was changed from "1,000 m³" to "1,000 m³ per 100 km" in 1H 2020

Downstream: Refining details

Refining volumes in 1H 2020 (net to KMG¹), mt

	Kazakhstan			Romania		
	2.63	2.10	1.14	0.20	2.12	0.15
	Atyrau (99.53%)	Pavlodar (100%)	Shymkent (49.72%)	Caspi Bitum (50%)	Petromidia (54.63%)	Vega (54.63%)
Refining capacity, mt/yr	5.5	6.0	6.0	1.0	6.0 ²	0.5
Nelson Index	13.9	10.5	8.2	–	10.5	–
Light products yield	66% ³	67%	83%	–	88%	–
Refining depth	80%	85%	91%	–	96%	–
Utilisation rate	96%	69%	76%	78%	71%	62%
Weighted average tariffs, KZT/tonne	41,232	20,904	28,059	20,002	–	–

(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, 1H 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 ²	
Operating EBITDA	179	210	225	226	(14)	(16)	810
Share in profit of JVs and associates ¹	189	112	253	(5)	0	6	554
Tengiz (20%)	172						
MMG (50%)	12						
KGM (50%)	22						
Kashagan (8.44%)	(28)						
KOA (50%)	4						
PKI (33%)	18						
CPC (20.75%)		100					
KCP (50%)		10					
MT (51%)		1					
AGP (50%)			189				
BSGP (50%)			60				
KazRosGas (50%)			4				
Shymkent refinery (50%)				(10)			
Other	(11)	0	0	5		(0)	
EBITDA	367	322	478	222	(14)	(11)	1 364
<i>% of total</i>	<i>27%</i>	<i>24%</i>	<i>35%</i>	<i>16%</i>	<i>-1%</i>	<i>-1%</i>	<i>100%</i>

(1) Equity method of consolidation

(2) Eliminations = 3,4 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; Downstream/Trading: KMG Cooperative, KMG TH, KMG Onimderi, KMG Retail, KMG Aero

Note: Numbers may not sum due to rounding.

Consolidated statement of comprehensive income

<i>In KZT bn</i>	For the six months ended June 30			
	2020	2019	Change	Change,%
Revenue and other income				
Revenue	2,254	3,403	(1,149)	-33.8%
Share in profit of joint ventures and associates, net	224	445	(221)	-49.6%
Finance income	64	62	2	2.8%
Gain on sale of subsidiaries	–	17	(17)	-100.0%
Other operating income	12	10	2	16.0%
Total revenue and other income	2,554	3,937	(1,384)	-35.1%
Costs and expenses				
Cost of purchased oil, gas, petroleum products and refining costs	(1,126)	(1,942)	816	-42.0%
Production expenses	(364)	(337)	(27)	8.0%
Taxes other than income tax	(139)	(226)	86	-38.3%
DDA	(180)	(167)	(13)	7.8%
Transportation and selling expenses	(222)	(216)	(7)	3.2%
General and administrative expenses	(75)	(94)	19	-20.6%
Impairment of PPE, IA, EE	(225)	(25)	(200)	793.0%
Impairment of investments in joint venture and associate	(38)	–	(38)	100.0%
Finance costs	(135)	(161)	26	-15.9%
Other expenses	(15)	(7)	(8)	122.3%
Net foreign exchange gain/(loss)	18	2	16	729.2%
Total costs and expenses	(2,502)	(3,172)	670	-21.1%

Consolidated statement of comprehensive income (continued)

<i>In KZT bn</i>	For the six months ended June 30			
	2020	2019	Change	Change, %
Profit before income tax	52	765	(713)	-93.2%
Income tax expenses	(31)	(143)	111	-78.1%
Profit for the period from continuing operations	21	622	(602)	-96.7%
Discontinued operations				
Profit/(loss) after income tax for the year from discontinued operations	–	0	(0)	-100%
Net profit for the period	21	622	(602)	-96.7%
Net profit/(loss) for the period attributable to:				
Equity holders of the Parent Company	104	624	520	-83.0%
Non-controlling interest	(83)	(1)	(82)	7227.7%
	21	622	(602)	-96.7%

Consolidated statement of financial position

In KZT bn

	June 30 2020	December 31 2019	Change	Change,%
Assets				
Non-current assets				
Property, plant and equipment	4,386	4,484	(98)	-2.2%
Right-of-use assets	36	38	(2)	-5.4%
Exploration and evaluation assets	170	180	(10)	-5.3%
Investment property	25	10	15	158.3%
Intangible assets	165	171	(6)	-3.4%
Long-term bank deposits	54	53	1	2.7%
Investments in joint ventures and associates	6,040	5,590	449	8.0%
Deferred income tax asset	72	74	(1)	-1.7%
VAT receivable	94	134	(40)	-29.6%
Advances for non-current assets	51	73	(22)	-30.2%
Loans and receivables due from related parties	659	616	44	7.1%
Other non-current non-financial assets	3	2	0	6.6%
Other non-current financial assets	10	17	(7)	-41.8%
	11,765	11,442	323	2.8%
Current assets				
Inventories	211	281	(70)	-24.8%
VAT receivable	96	74	22	30.2%
Income tax prepaid	65	55	10	18.5%
Trade accounts receivable	348	398	(50)	-12.6%

Consolidated statement of financial position (continued)

In KZT bn

	June 30 2020	December 31 2019	Change	Change, %
Short-term bank deposits	359	360	(1)	-0.3%
Loans and receivables due from related parties	102	139	(37)	-26.5%
Other current financial assets	60	64	(3)	-5.4%
Other current non-financial assets	98	199	(100)	-50.4%
Cash and cash equivalents	957	1064	(108)	-10.1%
Assets classified as held for sale	8	8	(0)	-0.6%
Total assets	14,069	14,082	(13)	-0.1%
Equity and liabilities				
Equity				
Share capital	917	917	0	0.0%
Additional paid-in capital	25	41	(16)	-38.9%
Other equity	3	0	2	2930.1%
Currency translation reserve	1,932	1,732	200	11.6%
Retained earnings	5,491	5,469	22	0.4%
Attributable to equity holders of the Parent Company	8,367	8,158	209	2.5%
Non-controlling interest	-49	38	(88)	-229.2%
Total equity	8,318	8,197	121	1.5%

Consolidated statement of financial position (continued)

In KZT bn

	June 30 2020	December 31 2019	Change	Change,%
Liabilities				
Non-current liabilities				
Borrowings	3,587	3,584	3	0.1%
Provisions	277	274	4	1.4%
Deferred income tax liabilities	521	509	12	2.3%
Lease liabilities	34	36	(2)	-6.5%
Other non-current financial liabilities	24	26	(2)	-7.5%
Other non-current non-financial liabilities	18	18	1	3.6%
	4,461	4,447	15	0.3%
Current liabilities				
Borrowings	381	253	127	50.2%
Provisions	105	104	1	1.0%
Income tax payable	7	13	(6)	-49.7%
Trade accounts payable	498	668	(170)	-25.5%
Other taxes payable	67	87	(20)	-22.5%
Lease liabilities	12	11	1	10.5%
Other current financial liabilities	89	93	(4)	-4.4%
Other current non-financial liabilities	132	210	(78)	-37.2%
	1,290	1,438	(149)	-10.4%
Total liabilities	5,751	5,885	(134)	-2.3%
Total equity and liabilities	14,069	14,082	(13)	-0.1%
Book value per ordinary share	13.362	13.154		



Consolidated statement of cash flows - indirect

In KZT bn

For the six months ended June 30

	2020	2019	Change	Change,%
Cash flows from operating activities				
Profit before income tax from continuing operations	52	765	-713	-93.2%
Profit before income tax from discontinued operations	-	0	0	-100.0%
Profit before income tax	52	765	-713	-93.2%
Adjustments:				
Depreciation, depletion and amortization	180	167	13	7.8%
Impairment of property, plant and equipment, intangible assets, exploration and evaluation assets	225	25	200	793.0%
Impairment of investments in joint venture and associate	38	-	38	
Allowance for / (reversal of) obsolete inventories	(2)	(3)	1	-22.%
Net foreign exchange differences	(5)	(2)	(3)	201.0%
Loss on disposal of property, plant and equipment, intangible assets and investment property, net	2	1	1	150.8%
Realized gain from derivatives on petroleum products	(21)	(12)	(9)	79.2%
Adjustment for repayment of advances received for the supply of oil	-	(471)	471	-100.0%
Finance costs	135	161	(26)	-15.9%
Finance income	(64)	(62)	(2)	2.8%
Gains on sale of subsidiaries	-	(17)	17	-100.0%
Share in profit of joint ventures and associates, net	(224)	(445)	221	-49.6%
Movements in provisions	5	(30)	34	-116.2%
Other adjustments	11	29	(17)	-60.0%
Operating profit before working capital changes	332	106	227	214.3%

Consolidated statement of cash flows – indirect (continued)

In KZT bn

For the six months ended June 30

	2020	2019	Change	Change, %
Change in VAT receivable	18	(9)	27	-284.8%
Change in inventory	96	50	47	93.8%
Change in trade accounts receivable and other assets	177	(83)	260	-313.9%
Change in trade and other payables and contract liabilities	(302)	(107)	(195)	181.8%
Change in other taxes payable	(25)	10	(35)	-352.1%
Cash generated from / (used in) operations	296	(34)	330	-971.8%
Dividends received from joint ventures and associates	16	42	(26)	-61.8%
Income taxes paid	(46)	(79)	33	-41.6%
Interest received	52	57	(5)	-8.8%
Interest paid	(120)	(126)	6	-4.8%
Net cash flow from / (used in) operating activities	198	(140)	338	-241.1%
Cash flows from investing activities				
Withdrawal/(placement) of bank deposits, net	17	(166)	183	-110.2%
Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	(227)	(211)	(16)	7.7%
Proceeds from sale of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	6	5	1	24.0%
Proceeds from disposal of subsidiaries	9	57	(48)	-84.7%
Loans given to related parties	(27)	(28)	1	-3.5%
Contributions to a joint venture	(6)	-	(6)	
Repayment of loans due from related parties	12	11	1	12.6%
Refund/(acquisition) of debt securities	(1)	-	(1)	
Proceeds from Note receivable from a shareholder of a joint venture	5	0	5	2783.3%
Net cash flows used in investing activities	(212)	(332)	121	-36.3%

Consolidated statement of cash flows – indirect (continued)

In KZT bn

For the six months ended June 30

	2020	2019	Change	Change, %
Cash flows from financing activities				
Proceeds from borrowings	125	334	(209)	-62.6%
Repayment of borrowings	(181)	(445)	264	-59.3%
Dividends paid to Samruk-Kazyna	(74)	-	(74)	
Dividends paid to non-controlling interests	(5)	0	(4)	2790.4%
Share buyback by subsidiary	0	(2)	2	-87.7%
Distribution to Samruk-Kazyna	(1)	(34)	33	-97.3%
Payment of principal lease liabilities	(7)	(7)	0	-1.1%
Net cash flows used in financing activities	(143)	(155)	11	-7.4%
Effects of exchange rate changes	49	(20)	69	-348.7%
Change in allowance for expected credit losses	0	0	0	350.0%
Net change in cash and cash equivalents	(108)	(647)	539	-83.3%
Cash and cash equivalents, at the beginning of the year	1,064	1,546	(481)	-31.1%
Cash and cash equivalents, at the end of the period	957	899	57	6.4%

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

In KZT bn

For the six months ended June 30

	2020	2019	Change	Change, %
Cash flows from operating activities				
Receipts from customers	2,573	3,181	(608)	-19.1%
Payments to suppliers	(1,610)	(2,339)	729	-31.2%
Other taxes and payments	(492)	(652)	160	-24.5%
Dividends received from joint ventures and associates	16	42	(26)	-61.8%
Income taxes paid	(46)	(79)	33	-41.6%
Interest received	52	57	(5)	-8.8%
Interest paid	(120)	(126)	6	-4.8%
Payments to employees	(172)	(176)	4	-2.1%
Taxes received from Tax authorities	46	14	31	218.9%
Social payments and pension funds	(29)	(21)	(8)	36.7%
Other payments	(19)	(41)	22	-53.6%
Net cash flow from operating activities	198	(140)	338	-241.1%
Cash flows from investing activities				
Withdrawal/(placement) of bank deposits, net	17	(166)	183	-110.2%
Purchase of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	(227)	(211)	(16)	7.7%
Proceeds from sale of property, plant and equipment, intangible assets, investment property and exploration and evaluation assets	6	5	1	24.0%
Proceeds from disposal of subsidiaries	9	57	(48)	-84.7%
Cash acquired with subsidiaries	-	-	0	
Acquisition of and contribution to joint ventures	(6)	-	(6)	

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

In KZT bn

For the six months ended June 30

	2020	2019	Change	Change, %
Loans given to related parties	(27)	(28)	1	-3.5%
Repayment of loans due from related parties	12	11	1	12.6%
Refund/(acquisition) of debt securities	(1)	-	(1)	
Note receivable from a shareholder of a joint venture	5	0	5	2,783.3%
Net cash flows (used in)/ from investing activities	(212)	(332)	121	-36.3%
Cash flows from financing activities				
Proceeds from borrowings	125	334	(209)	-62.6%
Repayment of borrowings	(181)	(445)	264	-59.3%
Dividends paid to Samruk-Kazyna and National Bank of RK	(74)	-	(74)	
Dividends paid to non-controlling interests	(5)	0	(4)	2790.4%
Share buyback by subsidiary	0	(2)	2	-87.7%
Distribution to Samruk-Kazyna	(1)	(34)	33	-97.3%
Payment of lease liabilities	(7)	(7)	0	-1.1%
Net cash flows (used in)/from financing activities	(143)	(155)	11	-7.4%
Effects of exchange rate changes	49	(20)	69	-348.7%
Change in allowance for expected credit losses	0	0	0	350.0%
Net change in cash and cash equivalents	(108)	(647)	539	-83.3%
Cash and cash equivalents, at the beginning of the year	1,064	1,546	(481)	-31.1%
Cash and cash equivalents, at the end of the year	957	899	57	6.4%