

Astana International Exchange Limited (AIX) and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this document, including the accuracy or completeness of any information or statements included in it. Liability for this document lies with the issuer of the document and other persons such as experts whose opinions are included in the document with their consent. Nor has the AIX, its directors, officers or employees assessed the suitability of the securities to which the document relates for any particular investor or type of investor. If you do not understand the contents of this document or are unsure whether the securities are suitable for your individual investment objectives and circumstances, you should consult an authorized financial advisor.

## «Project-EnS» Limited Liability Partnership

### OFFER DOCUMENT relating to the Bond Programme for KZT5,000,000,000

This document is an Offer Document ("**Offer Document**") that has been prepared in connection with the offering ("**Offering**") by the **Project-EnS Limited Liability Partnership** (hereinafter referred as the "**Issuer**") of the Bonds to Accredited Investors under the medium term program (hereinafter referred as the "**Programme**") for the amount of KZT5,000,000,000 (five billion) or an equivalent amount in other currency, valid up until 08 July 2026, which can be updated from time-to-time as the case may be. Pursuant to Programme the Issuer may from time-to-time issue bonds denominated in, *inter alia*, KZT, USD and EUR ("**Bonds**"). Each series of Bonds issued under the Programme is hereinafter referred to as "Tranche".

In connection with the Offering, applications have been made to the Astana International Exchange (the "**AIX**") to: (i) admit the Bonds, issued under the Programme to the Official List of AIX; and (ii) admit the Bonds to trading on the AIX (together, "**Admission**").

Notice of the aggregate nominal amount of, interest payable in respect of, the issue price of, and the completion of certain other terms and conditions which are applicable to, each Tranche of bonds will be set forth in the Offer Terms of the Bonds (the "**Offer Terms**"). In addition, it is expected that all Tranches issued under the Programme will be admitted to trading on AIX as "Wholesale Bonds" in accordance with the section 16-1 of the AIX Markets Listing Rules.

#### Warnings:

1. Any decision to invest in the Securities should be based on a consideration of the Offer Document by the investor ("**you**" or "**your**").
2. You can lose all or part of the amount invested.

#### Responsibility Statement:

The following persons are responsible for the following parts of this Offer Document:

Project-EnS LLP and its Director, **Mr. Beken B. Tobykbayev**, are responsible for this Offer Document.

The Director by the power given by the Charter and the Resolution of the Participants dated 17.02.2020 confirms that the information contained in the relevant parts of the Offer Document is, to the best of his knowledge, in accordance with the facts, and the Offer Document omits no information likely to affect its import.

SECTION 1. INTRODUCTION	
Issuer	PROJECT-ENS LIMITED LIABILITY PARTNERSHIP
Contact details of the Issuer	<b>Beken B. Tobykbayev</b> , Director residing at the following address: The Republic of Kazakhstan, Almaty city, Ukhtomskogo street, house 12, apt. 4; tel: +7 705 148 25 04

	There is no LEI assigned previously
<b>Form of issuance</b>	Coupon bonds (the "Bonds") will be issued in accordance with laws of the Astana International Financial Centre (the "AIFC").
<b>Domicile, legal form, country, and date of incorporation</b>	180, Muratbayev str., office 401, A05F7G0 Almaty, Kazakhstan.  The Issuer is incorporated in the Republic of Kazakhstan on 17-04-2006 under the Laws of the Republic of Kazakhstan and is operating under BIN 060440003356.  Until July 8, 2020 the Partnership was called "A&B CONSTRUCTION GROUP".
<b>Advisors to the Issuer</b>	Not applicable
<b>Purpose of the offer</b>	The proceeds from the issue of Bonds will be used to finance the design, construction and reconstruction of electrical networks, installation, dismantling, commissioning and other works in the energy industry, the purchase of equipment and materials, refinancing of debts (loans), replenishment of working capital, general corporate purposes.
<b>Programme Size</b>	KZT5,000,000,000 (or an equivalent amount in US Dollars or EUR)
<b>Issuance:</b>	The Bonds under the Programme to be issued in Tranches in KZT or USD, or EUR. Each Tranche will be the subject to the relevant Offer Terms which, for the purposes of that Tranche only, completes this Programme and which must be read in conjunction with this Offer Document. For avoidance of doubt, the terms and conditions laid out in this Programme shall be applicable to each Tranche of Bonds issued under the Programme and will be completed by the relevant Offer Terms.
<b>SECTION 2. INFORMATION ABOUT THE ISSUER</b>	
<b>Principal activities and business</b>	Design, construction, reconstruction in the energy industry. Installation of engineering networks and systems, overhaul and reconstruction, including power supply networks and outdoor electric lighting devices, internal systems of electric lighting and electric heating
<b>Major Participants, including whether it is directly or indirectly owned or controlled and by whom</b>	<b>Beken B. Tobykbayev - direct ownership of 45%.</b> <b>Alexey Y. Shakin - direct ownership of 45%</b> <b>Nurgul O. Zhanabayeva – direct ownership of 10%</b>
<b>Information on the Issuer's Supervisory Board</b>	The following issues are under the competence of the <b>Supervisory Board</b> : <ul style="list-style-type: none"> <li>• approval of the agenda of the meeting of the Supervisory Board;</li> <li>• checking the financial and economic activities of the executive body;</li> <li>• checking the annual financial statements of the LLP and, after approval, submitting for approval by the General Meeting of the Participants;</li> <li>• other issues stipulated by the legislation and the charter of the LLP.</li> </ul>



	<p><b>The members of the Supervisory Board are as follows:</b></p> <p><b>Nurgul O. Zhanabayeva, Chairperson of the Supervisory Board.</b> The Chairman of the Supervisory Board shall convene meetings of the Supervisory Board. Graduated back in 2008 from the «East Kazakhstan University named after Serikbayev»; qualification - in the specialty "Power supply", qualification: engineer. Experience: 2004 – 2007: KAZGIPROMTSVET LLP, Engineer, electrical department, Ust-Kamenogorsk 2007 – 2010: "Electra Plus" LLP, Almaty, Chief Engineer 2010 – 2015: "Kazakh Institute technical development" LLP, Almaty, Chief Project Engineer 2015 – 2016: "Kazakh Institute technical development" LLP, Almaty, Director 2016 – 2017: "A&amp;B CONSTRUCTION GROUP (AB CONSTRUCTION GROUP) LLP", Almaty, Chief Engineer of VET 2017 – 2019: "A&amp;B CONSTRUCTION GROUP (AB CONSTRUCTION GROUP)" LLP, Almaty, Director 2019 - until now: "Project-EnS" LLP, Almaty, Chief Project Engineer May 2021- until now: Chairperson of the Supervisory Board of the Issuer.</p> <p><b>Alexey Y. Shakin, member of the Supervisory Board</b> Experience: May 2002 – May 2019: Footballer (football clubs: CSKA, Caspian, Vostok, Irtysh, Atyrau, Kairat, Altay, Zhetysay) August 2020 - until now: "A7project&amp;construction" LLP, Director May 2021 – until now: member of the Supervisory Board of the Issuer</p> <p><b>Baglan Usenbayev, member of the Supervisory Board</b> Experience: 2005 – 2009: Summit LLP, Almaty, Director 2011: Kazakh Institute of Technical Development LLP (KITD), Almaty, Project Department Engineer 2014: Kazakh Head Architecture and Civil Engineering Academy, Almaty, Lecturer at the Department of Power Engineering 2016 – 2019: Kazakh Institute of Technical Development LLP (KITD), Almaty, Chief constructor for construction 2019 – 2020: JSC "Kazakh Institute of Oil and Gas", Almaty, Chief specialist of the power grid facilities design department May 2020- Until now: "Project-EnS" LLP, Almaty, Chief Design Engineer from May 2021 — until now: member of the Supervisory Board of the Issuer</p>
<p><b>Current and proposed directors and senior managers of the Issuer</b></p>	<p><b>Beken B. Tobykbayev - Director</b> Experience:</p>

	<p>June 1976 – November 1976: Taldy-Kurgan Lead-Battery Plant</p> <p>December 1978 – April 1979: Taldy-Kurgan basic store loader</p> <p>September 1990 – June 1991: Almaty meat processing plant, Almaty, Master</p> <p>August 1991 – Jule 1995: PCR "Keruen", Almaty, Director</p> <p>September 1995 – February 2002: Almaty airport, Almaty, senior aviation security Inspector</p> <p>April 2001 – June 2005: Almaty RFNB, Almaty city, Security officer</p> <p>January 2006 – March 2007: Namys-Sakasy LLP, Almaty, Chief of Security Council</p> <p>August 2007 – August 2008: Atyrau aul zholy JSC, Almaty, Aircraft Maintenance Manager</p> <p>August 2008 – November 2009: RSE Kazaviaspas, Almaty , aircraft maintenance manager</p> <p>April 2011 – December 2018: JSC Almaty International Airport, Almaty, senior aviation security service inspector</p> <p>January 2019 – January 2020: Adaysecurity LLP, Almaty, Head of security</p>																																																																			
	<p>February 2020 -until now:"A&amp;B CONSTRUCTION GROUP (AB CONSTRUCTION GROUP)" LLP, renamed to LLP "Project-EnS", Almaty, Director</p>																																																																			
Auditors	<p><b>Russell Bedford A+ Partners International Audit Company LLC</b></p> <p>202, Al-Farabi ave., Almaty, A15E2X0, The Republic of Kazakhstan</p> <p><a href="mailto:k.adilzhan@rbpartners.kz">k.adilzhan@rbpartners.kz</a></p> <p>+7 727 399 80 00</p> <p>+7 701 951 01 35</p>																																																																			
Key financial information covering last financial year	<p><b>Financial standing of the Issuer as at 31 Dec 2020 and 2019</b></p> <table><tr><th rowspan="2"></th><th colspan="2">As at 31 December, KZT thousands</th></tr><tr><th>2020</th><th>2019</th></tr><tr><td><b>ASSETS</b></td><td></td><td></td></tr><tr><td><b>Non-current assets</b></td><td></td><td></td></tr><tr><td>Property, plant and equipment</td><td>69,939</td><td>845</td></tr><tr><td>Intangible assets</td><td>126</td><td>105</td></tr><tr><td>Deferred tax asset</td><td>2,818</td><td>1,897</td></tr><tr><td></td><td><b>72,884</b></td><td><b>2,847</b></td></tr><tr><td><b>Current assets</b></td><td></td><td></td></tr><tr><td>Inventories</td><td>9,581</td><td>144</td></tr><tr><td>Trade and other receivables</td><td>798,830</td><td>71,471</td></tr><tr><td>Advances paid</td><td>767,123</td><td>623</td></tr><tr><td>Current tax assets</td><td>230</td><td>199</td></tr><tr><td>Cash</td><td>12,366</td><td>956</td></tr><tr><td>Other current assets</td><td>121,062</td><td>3,490</td></tr><tr><td></td><td><b>1,709,191</b></td><td><b>76,883</b></td></tr><tr><td><b>Total assets</b></td><td><b>1,782,075</b></td><td><b>79,730</b></td></tr></table> <table><tr><th rowspan="2"></th><th colspan="2">As at 31 December, KZT thousands</th></tr><tr><th>2020</th><th>2019</th></tr><tr><td><b>Liabilities and Equity</b></td><td></td><td></td></tr><tr><td><b>Equity</b></td><td></td><td></td></tr><tr><td>Authorized capital</td><td>110</td><td>110</td></tr><tr><td>Retained earnings</td><td>237,107</td><td>48,540</td></tr></table>		As at 31 December, KZT thousands		2020	2019	<b>ASSETS</b>			<b>Non-current assets</b>			Property, plant and equipment	69,939	845	Intangible assets	126	105	Deferred tax asset	2,818	1,897		<b>72,884</b>	<b>2,847</b>	<b>Current assets</b>			Inventories	9,581	144	Trade and other receivables	798,830	71,471	Advances paid	767,123	623	Current tax assets	230	199	Cash	12,366	956	Other current assets	121,062	3,490		<b>1,709,191</b>	<b>76,883</b>	<b>Total assets</b>	<b>1,782,075</b>	<b>79,730</b>		As at 31 December, KZT thousands		2020	2019	<b>Liabilities and Equity</b>			<b>Equity</b>			Authorized capital	110	110	Retained earnings	237,107	48,540
	As at 31 December, KZT thousands																																																																			
	2020	2019																																																																		
<b>ASSETS</b>																																																																				
<b>Non-current assets</b>																																																																				
Property, plant and equipment	69,939	845																																																																		
Intangible assets	126	105																																																																		
Deferred tax asset	2,818	1,897																																																																		
	<b>72,884</b>	<b>2,847</b>																																																																		
<b>Current assets</b>																																																																				
Inventories	9,581	144																																																																		
Trade and other receivables	798,830	71,471																																																																		
Advances paid	767,123	623																																																																		
Current tax assets	230	199																																																																		
Cash	12,366	956																																																																		
Other current assets	121,062	3,490																																																																		
	<b>1,709,191</b>	<b>76,883</b>																																																																		
<b>Total assets</b>	<b>1,782,075</b>	<b>79,730</b>																																																																		
	As at 31 December, KZT thousands																																																																			
	2020	2019																																																																		
<b>Liabilities and Equity</b>																																																																				
<b>Equity</b>																																																																				
Authorized capital	110	110																																																																		
Retained earnings	237,107	48,540																																																																		



<b>Non-current liabilities</b>	11,200	-
Liabilities under lease agreements	11,200	-
<b>Current liabilities</b>		
Loans and borrowings	1,072,776	-
Trade and other payables	340,271	3,804
Advances received	47,500	3,499
Income tax payable	6,141	6,091
Current tax liabilities	42,575	9,219
Liabilities for employee benefits	5,297	1,749
Estimated liabilities	4,231	850
Other current liabilities	14,868	5,868
<b>Total equity and liabilities</b>	<b>1,782,075</b>	<b>79,730</b>

Financials results for the years ended 31 December 2020 and 2019

[here major P&L items]	As at 31 December, KZT thousands	
	2020	2019
Revenue	830,681	76,744
Cost of goods sold	(457,633)	(13,303)
<b>Gross profit</b>	<b>373,048</b>	<b>63,441</b>
Selling expenses	(392)	(2,152)
Administrative expenses	(50,908)	(30,884)
Financial expenses	(24,924)	-
Exchange rate difference, net	(11,966)	-
Other income	100	14,194
Other expenses	(36,355)	(25,184)
<b>Profit / (loss) before tax</b>	<b>248,603</b>	<b>19,415</b>
Income tax savings / (expenses)	(60,037)	(6,094)
<b>Profit / (loss) for the year</b>	<b>188,566</b>	<b>13,321</b>
Other comprehensive income for the year	-	-
<b>Total comprehensive income / (loss) for the year</b>	<b>188,566</b>	<b>13,321</b>

The independent auditor of the Issuer is Russell Bedford A+ Partners International Audit Company LLC, issued qualified independent auditor's reports in respect of the Issuer's audited financial statements as at and for the year ended 31 December 2020 and 31 December 2019. Audited financial statements for years ended 31 December 2020 and 31 December 2019 are attached in Schedule 1 of this Offer Document.

**Excerpt from the audit report of Russell Bedford A+ Partners International LLC:**

**"Qualified Opinion**

We have audited the financial statements of PROEKT EnS LLC (hereinafter referred to as the "Company"), which comprise the statement of financial position on December 31, 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows for the year

	<p>then ended, and the notes to the financial statements, including a summary of significant accounting policies.</p> <p>In our opinion, except for the effect of the matter described under "Basis for Qualified Opinion", the financial statements present fairly and reasonably, in all material respects, the financial position of the Company on December 31, 2020, and its financial results and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).</p> <p><b>Basis for Qualified Opinion</b></p> <p>The Company has not audited the financial statements for the years preceding 2018 and for the year ended December 31, 2018; accordingly, we cannot confirm the amount of retained earnings in the amount of 237,107 thousand tenge stated in the Company's statement of financial position for the year ended December 31, 2020."</p>
<b>Significant factors affecting income/operations</b>	<p>A decrease in construction activity in the Republic of Kazakhstan may have a significant adverse impact on the Issuer. The demand for the Issuer's work is closely related to dynamics in construction and electrical industry. A downturn in the construction industry may negatively affect the demand for the Issuer's products. Therefore, the Issuer's growth in income depends, to a significant extent, on the degree of conditions in the residential and commercial construction markets in the Republic of Kazakhstan.</p>
<b>Risks specific to the Issuer and the Securities</b>	<p>If restrictions are imposed on the import of goods into the Republic of Kazakhstan, there is a possibility of delay risks in the supply of equipment to replace obsolete facilities, and, consequently, delay in the execution of work. This is considered to be the main risk. Apart from this, there are also other risks:</p> <p>i) currency risk, i.e. a sharp change in the EUR rate entails a change in the price of equipment (increase or decrease), because contract prices for the Issuer are indexed to the EUR rate.</p> <p>ii) changes in the legislation on energy development, or in design may entail negative consequences. Any unexpected change in government development programs may lead to a reduction in construction activity, which, in turn, may adversely affect the demand for the Issuer's services and have a material adverse effect on the Issuer's business, financial condition, results of operations and prospects.</p> <p>iii) low wages in the electric power industry lead to an outflow of specialists to other industries. At the same time, the consequences of the lack of specialists directly affect the operation of power plants. This leads to a delay in the deadlines for commissioning of facilities and, in general, affects the quality of repair campaigns. In order to prevent this risk from occurring, the Issuer</p>



	<p>engages young specialists, trains and provides an opportunity for professional growth.</p> <p>iv) downturns in the construction industry could have an adverse effect on demand for the Issuer's products, its customers and suppliers, as well as the whole industry.</p> <p><b>The Bonds are subject to modification, waivers and substitution.</b> "Terms and conditions of the offer" of this Offer Document contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders.</p> <p><b>Delisting of the Bonds from the AIX Official List</b> may subject gains and coupon payments on the Bonds to tax in the Republic of Kazakhstan. In order for coupon payments due on the Bonds and gains realized by the Bondholders in relation to disposal, sale, exchange or transfer of the Bonds to be exempt from Kazakhstan withholding tax, it will be necessary for the Bonds to be admitted to the Official List of AIX as at the Coupon Payment Date or the date of such disposal, sale, exchange or transfer of the Bonds. No assurance can be given that the Bonds will remain admitted to the Official List of AIX as at each Coupon Payment Date or during the term of the Bonds, or that there will be no material change in tax and securities laws in Kazakhstan.</p> <p><b>The Bonds will be listed on the AIX and benefit from an exemption on withholding tax which is untested in practice.</b> The Issuer believes that coupon payments on the Bonds will be exempt from withholding and income taxes due to the favorable treatment available for securities admitted to the Official List of AIX under the Constitutional Law on "Astana International Financial Center" in effect as of the date of this Offer Document. However, practice is not yet fully developed.</p> <p><b>The market price of the Bonds may be volatile.</b> The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operations and those of its competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by analysts and the actual or expected sale of the Bonds.</p>
<b>Description of the principal markets in which the Issuer operates</b>	The principal market is the Republic of Kazakhstan.
<b>Principal assets of the issuer</b>	<p>The principal assets of the Issuer as at 31 December 2020 consist of the following (<i>in thousands of Kazakhstani tenge</i>):</p> <ol style="list-style-type: none"> <li>1) Trade and other receivables KZT 798 830 - 44.83% of total assets</li> <li>2) Advances paid KZT 767 123 - 43% of total assets</li> </ol> <p>Property, plant and equipment KZT 69 939 (3.92% of total assets).</p>

<b>Capital resources</b>	<p>The Issuer's capital as at 31 December 2020 consists of (in thousands of Kazakhstani tenge)</p> <ul style="list-style-type: none"> <li>- Charter capital – KZT 110</li> <li>- Retained earnings KZT 237 107</li> <li>- Equity KZT 237 217</li> <li>- Total liabilities KZT 1 533 659</li> <li>- Net debt/Equity=1 060 410/237 217=4.47</li> </ul>
<b>Working Capital statement</b>	<p>The Issuer's consolidated financial statements are prepared in accordance with International Financial Reporting Standards based on regular business operations, which provides for assets realization and liabilities redemption in the ordinary course of business of the Issuer in the foreseeable future.</p> <p>To support its business and operation the Issuer plans to make the borrowings from the market and other financial institutions. The Issuer's borrowings as at 31 Dec 2020 amount to KZT 1 073 mln.</p> <p>The Directors of the Issuer believe that the working capital is sufficient to serve the current and these contemplated borrowings.</p> <p><i>A financial ratio that measures working capital is the <b>current ratio</b>, which is defined as current assets divided by current liabilities and is designed to provide a measure of a company's liquidity:</i></p> $\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}$ <p><b>1 709 191/1 072 776=1,59</b></p> <p><i>Current ratio of &gt; 1 implies a company is more liquid because it has liquid assets that can presumably be converted into cash and will be more than to cover the upcoming short-term liabilities.</i></p>
<b>Ultimate Holding Company</b>	N/A
<b>Share capital</b>	<p>Share capital as at 31 December 2020 - KZT110,000:</p> <p>Beken Tobymbayev - KZT49,500</p> <p>Alexey Shakin - KZT49,500</p> <p>Nurgul Zhanabayeva – KZT11,000</p>
<b>SECTION 3. INFORMATION ON THE PROGRAMME</b>	
<b>Class, type</b>	Coupon Bonds
<b>ISIN</b>	See the respective Offer Terms
<b>Currency</b>	<p>"KZT" means the official currency of the Republic of Kazakhstan.</p> <p>"USD" means the official currency of the USA.</p> <p>"EUR" means the official currency of the European Union.</p>
<b>Denomination</b>	See the respective Offer Terms
<b>Rights attached to the Securities</b>	<ul style="list-style-type: none"> <li>▪ the right to receive a nominal value upon redemption of the Bonds in the manner and terms provided for by Offer Document;</li> </ul>



	<ul style="list-style-type: none"> <li>▪ the right to receive a fixed interest on the Bonds from their nominal value in the time and amount stipulated by Offer Document;</li> <li>▪ the right to receive information about the Issuer's activities and its financial condition in accordance with and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;</li> <li>▪ the right to satisfy their claims in respect of the Bonds in cases and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;</li> <li>▪ the right to declare all or part of the Bonds for repurchase in cases established by Offer Document;</li> <li>▪ the right to freely sell and otherwise dispose of the Bonds;</li> <li>▪ the right to demand redemption of the Bonds by the Issuer in cases provided for by Offer Document;</li> <li>▪ other rights arising from the ownership of the Bonds in cases and in the manner prescribed by AIFC and AIX Business Rules and legislation of the Republic of Kazakhstan.</li> </ul>
<b>Relative seniority of the Securities in the event of insolvency</b>	Senior Unsecured Bonds. The Bonds shall constitute direct, general and absolute obligations of the Issuer which will rank <i>pari passu</i> among themselves and rank <i>pari passu</i> , in terms of payment rights, with all other current of future unsubordinated obligations of the Issuer, except for liabilities mandatory preferred by law of AIFC.
<b>Restrictions on free transferability</b>	Bonds are freely transferrable
<b>Dividend or payout policy</b>	The net income received by the Issuer based on the results of its activities for the year is distributed among the Participants of the Issuer in accordance with their shares in the capital of the Issuer on the basis of the decision of the next General Meeting, dedicated to the approval of the results of the financial and economic activities of the Issuer for the corresponding year, quarter. In case of non-payment of net income within the period established for their payment, the Participants of the Issuer are paid the principal amount of the net income of the Issuer and a penalty calculated on the basis of the official refinancing rate of the National Bank of the Republic of Kazakhstan on the day of fulfillment of the monetary obligation or its corresponding part. The general meeting of the Issuer's Participants has the right to make a decision to exclude the net income of the Issuer or part of it from distribution. In the event that the General Meeting of the Participants makes a decision to pay the Participants of the Issuer of net income, the payment must be made in cash within one month from the date of such a decision.
<b>Identity of all markets where Securities are to be traded</b>	AIX, AIX CSD
<b>Taxation</b>	<p>In accordance with the Law "On the Astana International Financial Centre", individuals and legal entities, residents and non-residents of the Republic of Kazakhstan shall be exempt from individual and corporate income taxes on the following:</p> <ul style="list-style-type: none"> <li>• in respect of their returns representing interest on securities (including bonds) which are included in official</li> </ul>

	<p>listings of a stock exchange as at the date of accrual of such dividends or interest;</p> <ul style="list-style-type: none"> <li>• in respect of their profit from value growth, received by the bondholders due to disposal, sale, exchange or transfer of the securities which are included in official listings of a stock exchange as at the date of such disposal, sale, exchange or transfer.</li> </ul> <p>All payments on debt securities in the form of a discount, increase in value or a coupon not regulated by Law "On the Astana International Financial Centre" are subject to regulation by the Code of the Republic of Kazakhstan "On taxes and other obligatory payments to the budget".</p>
<b>Calculations</b>	For purposes of any calculations specified herein, the sum shall be accurate to two decimal places.
<b>SECTION 4. TERMS AND CONDITIONS OF THE OFFERS – See the respective Offer Terms</b>	
<b>Number of Securities issued</b>	See the respective Offer Terms
<b>Price or price range of the Securities</b>	See the respective Offer Terms
<b>Offer Period</b>	See the respective Offer Terms
<b>Conditions</b>	Not applicable
<b>Plan for distribution</b>	The Bonds shall be placed among Accredited Investors (as defined in AIFC MAR 1.1.2(6)) in the Republic of Kazakhstan, considering limitations set out in 16-1 of the AIX Markets Listing Rules.
<b>Use and estimated amount of the proceeds</b>	See the respective Offer Terms
<b>The effect the issuance of the Securities will have on the capital structure of the Issuer</b>	According to the Issuer's last audited financial statements, the Issuer's total equity amounts to KZT 237 mln and the nominal value of the Bonds amounts in aggregate to KZT4.9 bn, the Bonds shall diversify the Issuer's funding sources.
<b>Maturity</b>	See the respective Offer Terms
<b>Coupon rate</b>	See the respective Offer Terms
<b>Coupon payment dates</b>	See the respective Offer Terms
<b>Coupon period</b>	See the respective Offer Terms
<b>Record dates</b>	See the respective Offer Terms
<b>Day count fraction</b>	See the respective Offer Terms
<b>Clearing Systems</b>	Recording of the Bonds shall be made by way of registration thereof with the AIX Registrar. In case of nominee holding, recording of the Bonds shall be made by way of registration thereof through a brokerage or direct accounts opened with AIX CSD. For purposes of this Programme, a holder of the Bonds shall mean any Person, in the name of whom a Bond is registered in the Register.
<b>Redemption</b>	Bonds shall be redeemable at par. The redemption of the Bonds shall be made concurrently with the final payment of interest on the relevant Maturity Date.



<b>Events of Default</b>	<p>Event of default is any of the following events:<b>Non-payment of coupon and the principal amount:</b> if the Issuer fails to pay the principal of any of the Bonds when such principal becomes due and payable at maturity, by declaration or otherwise, or the Issuer is in default with respect to the payment of interest on the Bonds, and such default continues for a period of at least 10 (ten) business days; or <b>Breach of other obligations:</b> the Issuer is in default of the performance, or is otherwise in breach, of any covenant, obligation, undertaking or other agreement, including but not limited to, the breach of condition "Other obligations of the Issuer" below, and such default or breach is not remedied within 30 (thirty) calendar days after a notice thereof has been given to the Issuer by any holder of the Bonds.</p> <p>If any of the above events (each an "Event of Default") occurs, the Issuer within 2 (two) business days shall notify the holders of the Bonds about such Event of Default, and any holder of a Bond then outstanding is entitled to give notice to the Issuer that the Bond is, and shall become, due and payable at 100% (one hundred percent) of its principal amount together with accrued interest to the date specified for redemption in such notice.</p> <p>Any claim against the Issuer in respect of the Bonds other than for payments of principal and interest shall become invalid unless it is filed within 1 (one) year from the date of the nonpayment or breach.</p>
<b>Other Obligations of the Issuer</b>	<p>So long as any of the Bonds issued under the Programme remains outstanding:</p> <p>a) the Issuer will not allow any default under its liabilities, including but not limited to, obligations evidenced by bonds, debentures, notes, loans or other similar instruments, for an aggregate amount exceeding 10% (ten percent) of the Issuer's total assets calculated by reference to the Issuer's most recent available financial statements as of the most recent reporting date preceding such a default;</p> <p>b) the Issuer will not undertake any reorganization as a legal entity without prior written consent of the holders of at least three-fourth in principal amount of the Bonds outstanding;</p> <p>c) the Issuer will not allow the occurrence of any of the following events: initiation of bankruptcy proceedings or similar measures by any person in accordance with the legislation of countries where its subsidiaries operate, including any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, moratorium of payments or similar arrangements involving the Issuer, or the appointment of a rehabilitation manager, interim manager,</p>

	<p>bankruptcy trustee or similar insolvency officer in relation to the Issuer or its assets;</p> <p>d) the Issuer will not terminate a listing of the Bonds in the Official List of the AIX after a listing is granted;</p> <p>e) the Issuer will not amend or substitute any entity in place of the Issuer as the principal debtor in respect of the Bonds, without prior written consent of the holders of at least three-fourth in principal amount of the Bonds then outstanding;</p> <p>f) the Issuer will not amend the Programme and the Offer Terms unless agreed upon in writing with the holders of at least three-fourth in principal amount of the Bonds then outstanding under the relevant Tranche.</p>
<b>Repurchase prior to maturity</b>	<p><i>Repurchase/redemption prior to maturity at the option of the Issuer</i></p> <p>The Bonds issued under the Programme may be redeemed in whole or in part at par before their stated maturity at the option of the Issuer only if:</p> <p>The General Meeting of the Participants has approved such a repurchase/cancellation/redemption; and the Issuer has secured prior written consent(s) of the Bondholders of at least three-fourth in principal amount of the Bonds then outstanding.</p> <p>For the avoidance of doubt, the decision to cancel the repurchased Bonds shall be in the competence of the General Meeting of the Participants, as the case may be. The Bonds bought back by the Issuer may be offered to the market.</p> <p><i>Early redemption at the option of the Bondholders of the Bonds</i></p> <p>If at any time while any of the Bonds remains outstanding and Event of Default described above occurs, the Issuer shall, at the option of the holder of the Bonds, upon the holder of the Bonds giving not less than 15 (fifteen) nor more than 30 (thirty) day notice to the Issuer, redeem such Bonds on the day specified in such notice at 100% (one hundred percent) of its principal amount together with the interest accrued to (but excluding) the date specified for the redemption.</p> <p>Following the occurrence of any Event of Default, the Issuer may arrange negotiations with the holders of the Bonds in respect of the early redemption at the option of the holders of the Bonds.</p> <p>There are no restrictions imposed by the Issuer on the Bonds in circulation, potential Bondholders as well as the persons among which the Bonds may be offered, sold, or bought back, including those who are affiliated with Issuer or related to the Issuer.</p>
<b>Applicable law and jurisdiction</b>	The Bonds and any non-contractual obligations arising



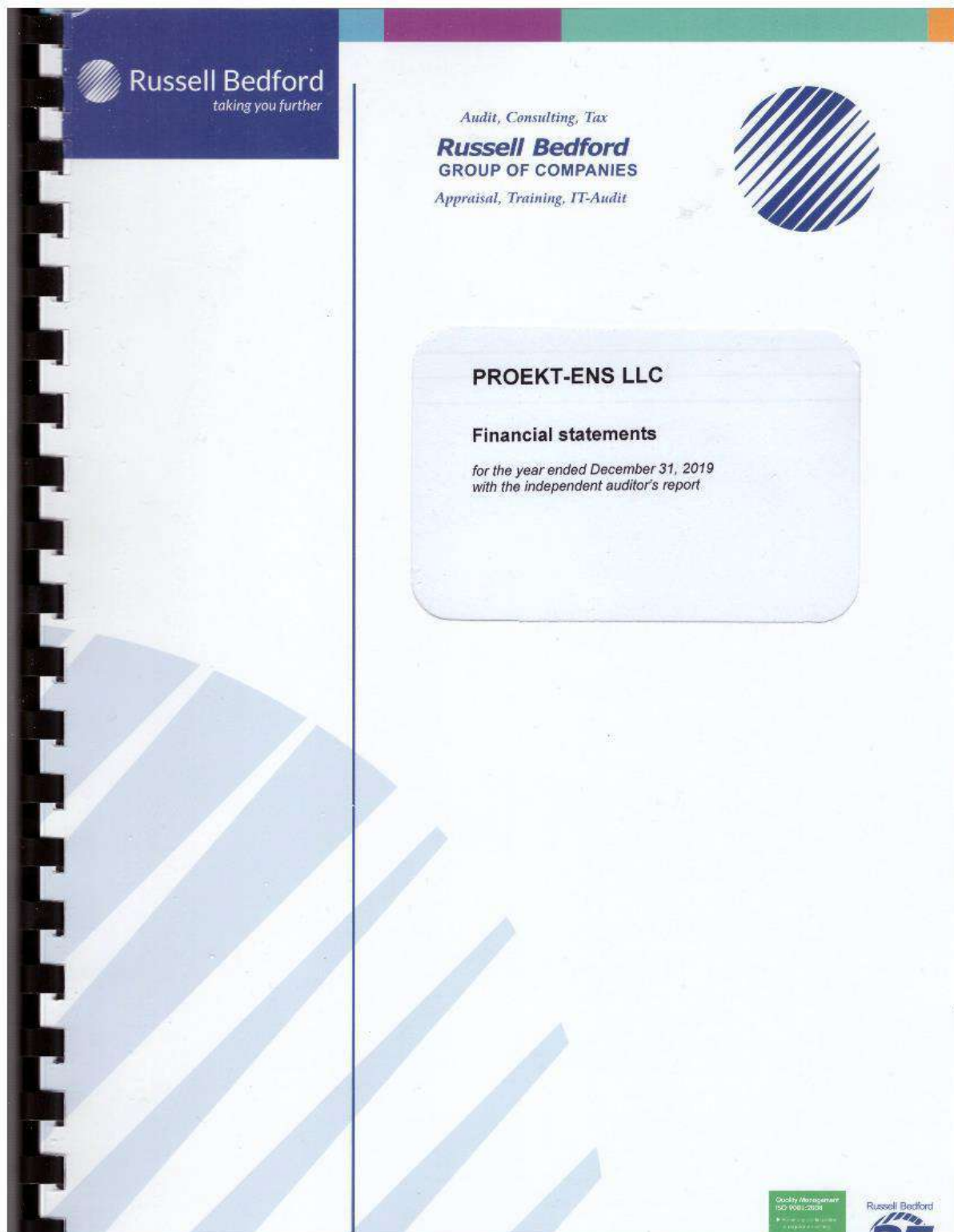
	<p>out of, or in connection with, the Bonds shall be governed by, and construed in accordance with, the laws of the AIFC. The Issuer has agreed herein the conditions in favor of the Bondholders of the Bonds that any claim, dispute or discrepancy of any nature arising out of, or in connection with, the Bonds (including claims, disputes or discrepancies regarding the existence, termination thereof, or any non-contractual obligations arising out of, or in connection with, the Bonds) shall be brought to, and finally resolved by, the Court of the AIFC in accordance with the rules thereof.</p>
<b>Notices</b>	<p>Any notice to the holders of the Bonds shall be valid only if it is notified in writing to the holder of the Bonds by the Issuer, or if it is published via AIX Regulatory Announcement Service</p>
<b>Bondholders meeting:</b>	<p>This Offer Document contains provisions for the Issuer to convene a General Meeting of the Bondholders to consider the issue relating to this Bond issue, including amendments to any provision of this Offer Document and Offer Terms.</p> <p>The list of Bondholders entitled to participate in the General Meeting of Bondholders and vote, is drawn up by the Issuer on the basis of the register system of securities holders, three working days prior to the General Meeting of Bondholders.</p> <p>The quorum for holding a General Meeting of Bondholders, which is entitled to consider and make decisions on agenda items, if at the end of registration of the Meeting participants (on the date of submission of all bulletins or on the date of expiration of the deadline for submitting bulletins when holding a Meeting by absentee voting) the registered Bondholders (representatives of Bondholders) included in the List of Bondholders, holding in aggregate 75 (seventy-five) and more percent of the total number of placed bonds, excluding bonds repurchased by the Issuer.</p> <p>The procedure for holding a General Meeting of Bondholders is established by the Issuer's internal documents, which are approved by the Issuer's Director. These documents may be inspected at, and are available from, the office of the Issuer at: 401 -180 Muratbayev street, Almaty, Kazakhstan during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), as long as the Bonds are listed on the AIX.</p> <p>Voting at the General Meeting of Bondholders is carried out according to the principle "one Bond - one vote".</p> <p>Changes in the information in the Offer Document and Offer Terms, including but not limited to the change of Coupon rate, maturity as well as other terms and conditions of the Bonds are carried out by the Issuer on the basis of the decision of the General Meeting of Bondholders, while observing the following conditions:</p> <ol style="list-style-type: none"> <li>1) the holders who own at least seventy-five percent of the Bonds out of the total number of placed (except for redeemed) Bonds voted for this decision;</li> <li>2) if there are two or more persons in the Bondholders who independently own more than ten percent of the Bonds of this issue, with the exception of Bonds redeemed by the Issuer, seventy-five or more percent</li> </ol>

	of the total number of such Bondholders voted for changing the terms of the issue.
<b>Potential Target Investors</b>	The Bonds may be offered or sold to only Accredited Investor(s) in accordance with MLR 16-1.1 AIX Business Rules.
<b>SECTION 5. KEY INFORMATION ON THE ADMISSION TO TRADING – See the respective Offer Terms for more details</b>	
<b>Registrar</b>	Astana International Exchange Registrar Ltd. ("AIX Registrar"). The AIX Registrar shall keep register of holders of securities and record transfer of title to securities between the respective holders thereof pursuant to the Registry Services Agreement between the Issuer and AIX Registrar.
<b>Depository</b>	AIX CSD holds securities for AIX Market Participants and their clients and facilitates the clearance and settlement of securities transactions between these participants through electronic book entry changes in accounts of such participants. AIX CSD provides among other things, services for safekeeping, administration, clearance and settlement of traded securities and securities lending and borrowing.
<b>Details of the admission to an Official List of Securities and trading</b>	The date of Admission of the Bonds shall be determined in each relevant Offer Terms.

**Beken B. Tobymbayev,**  
**«Project-EnS» Limited Liability Partnership Director**







# PROEKT-ENS LLC

## CONTENT

---

### MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR PREPARATION AND APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

#### Independent auditor's report

Page

#### Financial statements:

Statement of profit or loss and other comprehensive income-----	1
Statement of financial position-----	2
Statement of cash flows -----	3
Statement of changes in equity-----	4
Notes to the financial statements-----	5-20



## PROEKT-ENS LLC

### MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR PREPARATION AND APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

The following statement is made, which should be read in conjunction with the description of the auditors' responsibilities contained in the Independent Auditor's Report filed in order to distinguish between the responsibilities of the auditors and management with respect to the financial statements of PROEKT-ENS LLC (hereinafter referred to as the "Company").

The management of the Company is responsible for the preparation of audited financial statements that faithfully reflect in all material respects the financial position of the Company, as well as its operating results, movement cash and changes in equity for the year ended on that date, in accordance with International Financial Reporting Standards ("IFRS") on December 31, 2019.

In preparing the financial statements, management is responsible for:

- ensuring the right choice and application of accounting policies;
- presentation of information, incl. data on accounting policies in a form that ensures the relevance, reliability, comparability and comprehensibility of such information;
- disclosure of additional information in cases where compliance with IFRS is not sufficient for users to understand the financial statements of the impact that certain transactions, as well as other events or conditions, have on the financial position and financial performance of the Company;
- assessment of the Company's ability to continue operations in the foreseeable future.

Management is also responsible for:

- development, implementation and maintenance of an effective and reliable system of internal control of the Company;
- maintaining records in a form that allows you to disclose and explain the transactions of the Company, as well as provide at any date information of sufficient accuracy about the financial position of the Company and ensure that financial statements comply with IFRS;
- accounting in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonably possible measures to ensure the safety of the assets of the Company; and
- identification and prevention of facts of financial and other abuses.

These financial statements of the Company for the year ended December 31, 2019 were approved for issue on May 15, 2021.

On behalf of the management of PROEKT-ENS LLC:

  
\_\_\_\_\_

Tobykbayev B.B.

Director

\_\_\_\_\_

Not provided

Chief Accountant

Almaty, Republic of Kazakhstan



## INDEPENDENT AUDITOR'S REPORT

### To Members and Management of PROEKT-ENS LLC

#### Qualified Opinion

We have audited the financial statements of PROEKT ENS LLC (hereinafter referred to as the "Company"), which comprise the statement of financial position on December 31, 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effect of the matter described under "Basis for Qualified Opinion", the financial statements present fairly and reasonably, in all material respects, the financial position of the Company on December 31, 2019, and its financial results and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### Basis for Qualified Opinion

We did not observe stocktaking of property, plant and equipment and inventories on December 31, 2018 and 2019 as these dates preceded our appointment as auditors of the Company.

For the years preceding 2018 and for the year ended December 31, 2018, the Company has not performed an audit of its financial statements and, accordingly, we are unable to certify the amount of retained earnings of 48,540 thousand tenge reported in the Company's statement of financial position for the year ended December 31, 2019.

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described further in the "Auditor's Responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the *Code of Ethics of Professional Accountants* of the Council on International Ethics Standards for Accountants (CIESA Code), and we have fulfilled other ethical obligations in accordance with the CIESA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to warrant the expression of our qualified opinion.

#### Other information

The Company's financial statements for the year ended December 31, 2018 are unaudited.

#### Management responsibility for the preparation of the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for the internal control system that management considers necessary to prepare financial statements that are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue to operate continuously, for disclosing, as appropriate, information related to business continuity, and for preparing statements based on the going concern assumption, unless management intends to liquidate the Company, terminate its activity or when it does not have any other real alternative, except liquidation or termination of activity.

Those responsible for corporate governance are responsible for overseeing the preparation of the financial statements of the Company.



## Auditor responsibility

Our goal is to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion.

Reasonable assurance represents a high degree of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always reveal material misstatement, if any.

Misstatements may be the result of fraud or error and are considered material if it can reasonably be assumed that, individually or collectively, it may affect the economic decisions of users based on these financial statements.

We apply professional judgment and maintain professional skepticism throughout the audit as part of the audit conducted in accordance with the International Auditing Standards. In addition, we do the following:

- we identify and assess the risks of material misstatement of the financial statements due to fraud or error; We develop and conduct audit procedures in response to these risks; We obtain audit evidence that is sufficient and appropriate to serve as the basis for our opinion. The risk of not detecting material misstatement as a result of fraud is higher than the risk of not detecting material misstatement as a result of an error, as fraud can include conspiracy, forgery, intentional omission, misrepresentation of information or actions that bypass the internal control system;
- we gain an understanding of the internal control system that is relevant to the audit, with the aim of developing audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management;
- we conclude that it is legitimate for management to apply the going concern assumption, and based on the audit evidence obtained, it concludes that there is significant uncertainty in connection with events or conditions that could result in significant doubts about the Company's ability to continue its business. If we conclude that there is material uncertainty, we must draw attention in our audit report to the appropriate disclosures in the financial statements or, if such disclosures are inappropriate, to modify our opinion. Our findings are based on audit evidence obtained prior to the date of our audit opinion. However, future events or conditions may cause the Company to lose its ability to continue to operate continuously;
- we evaluate the presentation of the financial statements as a whole, its structure and content, including disclosure of information, as well as whether the financial statements represent the underlying operations and events in such a way that their reliable presentation is ensured.

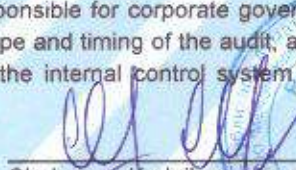
We carry out information interaction with persons responsible for corporate governance, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as significant comments on the audit results, including significant deficiencies in the internal control system that we identify during the audit process.

  
Adilzhan Kenzhekulov  
Audit Partner

«IAC «Russell Bedford A+ Partners» LLP



The qualification certificate of the auditor  
№1-PN 0001018 dated January 30, 2020

  
Sholpanay Kudaibergenova  
General Director

«IAC «Russell Bedford A+ Partners» LLP



State license for engaging in audit activities in the Republic  
of Kazakhstan No. 18013076, issued by the Committee of  
Internal State Audit of the Ministry of Finance of the  
Republic of Kazakhstan on July 3, 2018.

May 15, 2021

Almaty, Republic of Kazakhstan





PROEKT-ENS LLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2019  
(in thousands of Kazakhstani tenge)

	Note	2019	2018 (unaudited)
Revenue	4	76 744	1 158 018
Cost of goods sold	5	(13 303)	(578 078)
<b>Gross profit</b>		<b>63 441</b>	<b>579 940</b>
Selling expenses		(2 152)	(326 574)
Administrative expenses	6	(30 884)	(63 178)
Other income		14 194	411
Other expenses		(25 184)	-
<b>Profit / (loss) before tax</b>		<b>19 415</b>	<b>190 599</b>
Income tax savings / (expenses)	7	(6 094)	(18 865)
<b>Profit / (loss) for the year</b>		<b>13 321</b>	<b>171 734</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income / (loss) for the year</b>		<b>13 321</b>	<b>171 734</b>

These financial statements have been approved by the management of the Company and signed on its behalf.



Tobykbayev B.B.

Director

Not provided

Chief Accountant

The explanatory notes are an integral part of these financial statements






**PROEKT-ENS LLC**

**STATEMENT OF FINANCIAL POSITION  
ON DECEMBER 31, 2019**  
*(in thousands of Kazakhstani tenge)*

	Note	December 31, 2019	December 31, 2018 <i>(unaudited)</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	845	17 453
Intangible assets		105	142
Deferred tax asset		1 897	-
		<b>2 847</b>	<b>17 595</b>
<b>Current assets</b>			
Inventories	9	144	400
Trade and other receivables	10	71 471	54 121
Advances paid	11	623	10 572
Current tax assets		199	329
Cash	13	956	33 350
Other current assets	12	3 490	2 647
		<b>76 883</b>	<b>101 419</b>
<b>Total assets</b>		<b>79 730</b>	<b>119 014</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Authorized capital	14	110	110
Retained earnings		48 540	51 427
		<b>48 650</b>	<b>51 537</b>
<b>Current liabilities</b>			
Trade and other payables	15	3 804	52 013
Advances received	16	3 499	1 182
Income tax payable		6 091	12 865
Current tax liabilities	17	9 219	1 046
Liabilities for employee benefits		1 749	-
Estimated liabilities		850	-
Other current liabilities	18	5 868	371
		<b>31 080</b>	<b>67 477</b>
<b>Total equity and liabilities</b>		<b>79 730</b>	<b>119 014</b>

These financial statements have been approved by the management of the Company and signed on its behalf:

  
Tobykbayev B.B.

Director

Not provided

Chief Accountant



The explanatory notes are an integral part of these financial statements




**PROEKT-ENS LLC**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**  
*(in thousands of Kazakhstani tenge)*

	2019	2018 <i>(unaudited)</i>
<b>Cash flow from operating activities</b>		
Cash flows from customers	69 820	1 334 914
Payments to suppliers for goods and services	(62 156)	(1 160 850)
Payments for wages and salaries	(15 705)	(27 555)
Other receipts	4 904	824
Other payments	(1 433)	(7 090)
Income tax and other payments to the budget	(28 324)	(58 703)
<b>Net cash flow from operating activities</b>	<b>(32 894)</b>	<b>81 540</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	500	10 364
<b>Net cash flow from investing activities</b>	<b>500</b>	<b>10 364</b>
<b>Cash flow from financing activities</b>		
Payment of dividends	-	(123 308)
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>(123 308)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(32 394)</b>	<b>(31 405)</b>
Cash and cash equivalents, on January 1	33 350	64 755
<b>Cash and cash equivalents, on December 31</b>	<b>956</b>	<b>33 350</b>

These financial statements have been approved by the management of the Company and signed on its behalf:

  
 Tobykbayev B.B.  
 Director

Not provided  
 Chief Accountant



The explanatory notes are an integral part of these financial statements





**PROEKT-ENS LLC**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2019**  
(in thousands of Kazakhstani tenge)

	Authorized capital	Retained earnings	Total capital
On January 1, 2018 (unaudited)	110	14 490	14 600
Adjustment of previous years	-	(5 000)	(5 000)
Payment of dividends	-	(129 797)	(129 797)
Net profit/(loss) for the year	-	171 734	171 734
On December 31, 2018 (unaudited)	110	51 427	51 537
Payment of dividends	-	(16 208)	(16 208)
Net profit/(loss) for the year	-	13 321	13 321
On December 31, 2019	110	48 540	48 650

These financial statements have been approved by the management of the Company and signed on its behalf:

*Handwritten signature*

Tobykbayev B.B.

Director



Not provided

Chief Accountant

The explanatory notes are an integral part of these financial statements



## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (in thousands of Kazakhstani tenge)

#### 1. GENERAL INFORMATION

PROEKT-ENS Limited Liability Company, formerly A&B Construction Group LLP (hereinafter referred to as the "Company"), was formed and incorporated on April 17, 2006.

The Company's members and ultimate controlling parties on December 31, 2019 are:

- Kuanysheva Gulmira Kussainovna, IIN 750821450438, 100% share in the authorized capital of the Company

The Company's members and ultimate controlling parties on the date of issuance of the Company's financial statements are:

- Tobykbayev Beken Bekbosynovich, citizen of the Republic of Kazakhstan, IIN 580511301560 - share in the authorized capital - 45%.
- Shakin Alexey Yuryevich, citizen of the Republic of Kazakhstan, IIN 840806300690 - share in the authorized capital - 45%.
- Zhanabayeva Nurgul Oralbekovna, citizen of the Republic of Kazakhstan, IIN 83091400859 - share in the authorized capital - 10%

The Company was renamed PROEKT-ENS LLC on November 18, 2020.

The legal and actual address of the Company is Republic of Kazakhstan, Almaty, Muratbayev street, 180, office 401.

The Company is a legal entity under the laws of the Republic of Kazakhstan and carries out activities in accordance with its Charter, including:

- Installation of engineering networks and systems, including major repairs and reconstruction, including:

- networks of cold and hot water supply, heating, centralized sewerage of domestic, industrial and storm water, the device of internal systems of water supply, heating and sewerage;
- power supply networks and devices of external electric lighting, internal systems of electric lighting and electric heating;
- power supply networks of railroad communication lines, power supply networks and power lighting of air transport enterprises;
- gas supply networks of high and medium pressure, domestic and industrial low pressure gas supply, internal gas supply systems;

- Construction of roads and railroads, including major repairs and reconstruction, including:

- Foundations and coatings of runways of airfields and helipads;
- Foundations and coatings, protective structures and equipment of highways III, IV and V technical category, as well as the carriageway of the streets of settlements that are not highways;
- Foundations and coatings, protective structures and equipment of highways I and II technical category, as well as intracity main roads of high-speed and regulated traffic, the carriageway of main roads of citywide continuous and regulated traffic.

- Installation of technological equipment, commissioning works related to:

- Theatrical, entertainment, educational and sports facilities
- Communication, emergency protection, control and alarm systems, interlocking in transportation, power and water supply facilities, other life support facilities, as well as accounting and control devices for industrial purposes
- Hydrotechnical and land reclamation facilities
- Production of construction materials, products and structures

- Special work in soils, including:

- Drilling work in the ground;
- Arrangement of foundations;

- Erection of supporting and (or) enclosing structures of buildings and structures (including bridges, overpasses, tunnels and overpasses, other artificial structures), including major repairs and reconstruction of facilities, including:

- Installation of lifting structures (elevators, escalators, shaft headframes and elevators, ropeways and other lifting structures);
- Chimneys, silos, cooling towers, over-mine copra;





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

- Roofing work;
- Installation of monolithic and precast concrete and reinforced concrete structures, masonry elements of walls and partitions and filling of openings;
- Assembling building structures of tower and mast types, chimneys;
- Installation of metal structures;
- Hydraulic and mudflow protection structures, dams, dikes;
- Installation of bearing structures of bridges and bridge crossings;

- Special construction and installation work on the laying of linear structures, including major repairs and reconstruction, including:

- Trunk power lines with voltage up to 35 kV and up to 110 kV and above;
- National and international communication and telecommunication lines;
- Steel tanks (reservoirs), including those operating under pressure or designed to store explosive and fire-hazardous or other hazardous (harmful) liquid or gaseous substances;
- Field and main networks of oil pipelines, gas pipelines, as well as main networks of oil product pipelines;

- The Company is entitled to carry out other types of activities, not prohibited by the legislation of the Republic of Kazakhstan, both on the territory of the Republic of Kazakhstan and abroad, in the manner and on the terms set forth by the legislation of the Republic of Kazakhstan.

- Certain types of activities, which are subject to compulsory licensing in accordance with the legislation of the Republic of Kazakhstan, the Company shall carry out only after obtaining the relevant license.

The Company operates under licenses issued by the Department of State Architectural and Construction Control of Almaty Akimat.

The Company operates under the following licenses:

1. License No. 200010701 for construction and installation works of the II category issued on July 24, 2020. Date of initial issuance on December 25, 2014.
2. License No. 20010699 for performance of design activity of the II category issued on July 24, 2020. Date of initial issuance on July 2, 2014.
3. Licence GSLN000461 for construction and assembly works of the I category issued on January 24, 2021, initial issue date - May 19, 2006

The management bodies of the Company are:

- The supreme governing body - the General Meeting of Members;
- Executive body - Director;
- Supervisory body - the Supervisory Board (if any)

The Company had 14 employees on December 31, 2019.

#### ***The economic environment in which the Company operates***

Overall, the economy of the Republic of Kazakhstan continues to display some characteristics of an emerging market. It is particularly sensitive to fluctuations in the prices of oil and gas and other minerals, which constitute the bulk of the country's exports. These characteristics also include, but are not limited to, the existence of a national currency that is not freely convertible outside of the country and a low level of liquidity in the securities market.

Ongoing political tensions in the region and exchange rate volatility have had and may continue to have a negative impact on Kazakhstan's economy, including reduced liquidity and difficulties in attracting international funding.

The National Bank and the Government of the Republic of Kazakhstan decided to stop supporting the exchange rate of tenge and implement a new monetary policy based on inflation targeting regime, cancellation of currency corridor and transition to a free-floating exchange rate on August 20, 2015. At the same time, the National Bank's exchange rate policy allows for interventions to prevent sharp fluctuations in the tenge exchange rate to ensure financial stability.

The official exchange rate of the National Bank of the Republic of Kazakhstan was 420.71 tenge per 1 US dollar on December 31, 2020 (December 31, 2019: 381.18 tenge per 1 US dollar). Thus, there remains uncertainty about the exchange rate of tenge and future actions of the National Bank and the Government, as well as the impact of these factors on the economy of the Republic of Kazakhstan.

In March 2020, the international rating agency Standard & Poor's confirmed long-term credit ratings of Kazakhstan on liabilities in foreign and national currencies at - "BBB-" and short-term ratings of Kazakhstan on liabilities in foreign and national currencies at - "A-3", and national scale rating - "kzAAA". The outlook on the long-term ratings is "stable". The





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION)

(in thousands of Kazakhstani tenge)

stable outlook is confirmed by positive balance sheet indicators formed by additional revenues to the National Fund of the Republic of Kazakhstan, as well as the low public debt, the total amount of which will not exceed the external liquid assets of the state in two years.

Production growth and oil price stability, low unemployment and rising wages contributed to moderate economic growth in 2020. This economic environment has a significant impact on the Company's operations and financial position. Management is taking all necessary measures to ensure sustainability of the Company's operations. However, the future effects of the current economic environment are difficult to predict and management's current expectations and estimates could differ from actual results. Additionally, the electric power sector in the Republic of Kazakhstan remains subject to political, legislative, fiscal and regulatory developments in the Republic of Kazakhstan. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the government, together with legal, regulatory and political developments, which are beyond the Company's control.

Management is unable to predict either the extent or duration of developments in the Kazakhstani economy or evaluate their potential effect on the Company's future financial position. Management believes it is taking all necessary measures to support the sustainability and growth of the Company's business in the current circumstances.

To estimate the expected credit losses, the Company uses confirmed forecast information, including forecasts of macroeconomic indicators. However, as with any economic forecasts, assumptions and their probability are inevitably associated with a high level of uncertainty and, consequently, actual results may differ significantly from those projected. Note 28 provides additional information on how the Company incorporates forward-looking information into its expected credit loss models.

The financial statements reflect management's assessment of the impact of the Kazakhstan economic and political environment on the Company's operations and financial position. The actual impact of future business conditions may differ from management's assessment.

## 2. BASIS FOR PREPARING FINANCIAL STATEMENTS

### *Basis of preparing financial statements*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, except for financial instruments that are initially recognized at fair value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### *Currency of reporting*

These financial statements are expressed in thousands of Kazakhstani tenge unless otherwise stated.

### *Going concern principle*

Comprehensive income for the year ended December 31, 2019 amounted to 13,321 thousand tenge (2018: comprehensive income - 171,734 thousand tenge). The Company's current assets exceeded its current liabilities by 45,805 thousand tenge on December 31, 2019 (December 31, 2018: 33,942 thousand tenge).

The accompanying financial statements have been prepared on a going concern basis, which assumes that the Company's operations will be profitable and that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

### *Foreign currency translation*

The Company's functional currency is the currency of the primary economic environment in which the entity operates. The Company's functional and presentation currency is the national currency of Kazakhstan - the Kazakhstani tenge. Exchange restrictions and controls exist relating to converting tenge into other currencies. At present, the tenge is not a freely convertible currency outside the Republic of Kazakhstan.

Monetary assets and liabilities are translated into functional currency at market exchange rates at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions in foreign currency and from the translation of monetary assets and liabilities into the Company's functional currency at year-end market exchange rates are recognized in profit or loss for the year.

The market closing exchange rate used to revalue foreign currency account balances was 381.18 tenge per US dollar on December 31, 2019.





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

#### *Uncertain tax positions*

The Company's uncertain tax positions are assessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the Company's tax positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are recognized based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

#### ***New or revised IFRS standards and interpretations that are mandatory for the annual reporting period beginning on or after January 1, 2019***

##### *Application of new or revised standards and interpretations*

- IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019);
- Annual improvements to IFRS (2015-2017 cycle) (effective from January 1, 2019, early adoption is permitted). Improvements relate to the following standards:
- IFRS 3 "Business Combinations". It is specified that the organization reassesses its former share in the joint operation after it gains control of the business;
- IFRS 11 "Joint Arrangements". An entity should not overestimate its former interest in a joint operation after it obtains joint control of the business;
- IAS 12 "Income Taxes". An entity shall equally consider all tax consequences of dividend payments;
- IAS 23 "Borrowing Costs". Any borrowings that the company initially attracts to develop the asset are accounted for as part of the total borrowings after the asset is ready for its intended use or sale;
- Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement" (effective from January 1, 2019);
- Interpretation of IFRIC 23 "Uncertainty over Income Tax Treatments" (effective for annual periods beginning on or after January 1, 2019);
- Amendments to IAS 28 "Long-term Investments in Associates and Joint Ventures" (effective from January 1, 2019);
- Amendments to IFRS 9 "Prepayment Features with Negative Compensation" (effective from January 1, 2019).

**IFRS 16 "Leases" (issued in January 2016 and effective for annual periods beginning on or after 1 January 2019).** The new standard defines the principles for recognition, measurement, presentation and disclosure of information in relation to rental transactions. All leases result in the tenant receiving the right to use the asset from the moment the lease begins, as well as in obtaining financing if lease payments are made over a period of time. Accordingly, IFRS 16 cancels the classification of leases as operating or financial, as required by IAS 17, and instead introduces a single lease accounting model for tenants. Lessees will be required to recognize: (a) assets and liabilities for all leases that are valid for more than 12 months, unless the value of the lease item is negligible; and (b) depreciation of the leases separately from interest on lease obligations in the statement of profit or loss and other comprehensive income. IFRS 16 essentially retains the accounting requirements of IAS 17 in respect of lessor lease accounting. Thus, the lessor continues to classify the leases as operating or financial leases and, accordingly, to reflect them differently in the accounts.

The Company elected to use the recognition exemption for leases with a lease term of 12 months or less at the inception date and the date of initial application that do not contain a purchase option (short-term leases) and for leases for which the underlying asset is of low value (leases of low-value assets). Lease payments for short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

There was no impact of applying IFRS 16 on the Company's statement of financial position on January 1, 2019.

**Amendments to IFRS 10 and IAS 28 – "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" (issued September 11, 2014 and effective for annual periods beginning on or after will be determined by the IASB, or after that date).** These amendments eliminate the inconsistency between the requirements of IFRS 10 and IAS 28 regarding the sale or contribution of assets to an associate or joint venture by an investor. The main consequence of the amendments is that the gain or loss is recognized in full if the transaction relates to a business. If the assets do not constitute a business, even if a subsidiary owns these assets, only part of the gain or loss is recognized. These amendments are not applicable to the Company.

**IFRS 17 "Insurance Contracts" (issued May 18, 2017 and effective for annual periods beginning on or after January 1, 2021).** IFRS 17 replaces IFRS 4, which allowed organizations to continue to use existing practice with respect to the treatment of insurance contracts, making it difficult for investors to compare and contrast the financial results of insurance companies that were similar in other respects. IFRS 17 is a single, standards-based standard for reflecting all types of insurance contracts, including the insurer reinsurance contracts. The recognition and measurement of groups of insurance contracts should be based on (i) the present value of future cash flows (cash flows for the performance of contracts), adjusted for risk, which takes into account all available information about



## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

cash flows for the performance of contracts corresponding to the observed market information to which is added (if value is an obligation) or from which is deducted (if value is an asset) (ii) retained earnings for a group of contracts (service margin under contracts) according to this standard. Insurers will reflect the profit from the group of insurance contracts for the period during which they provide insurance coverage, and at the time of exemption from risk. An organization recognizes loss immediately if the group of contracts is or becomes unprofitable. These amendments are not applicable to the Company.

**IFRIC 23 "Uncertainty over Income Tax Treatments" (issued June 7, 2017 and is effective for annual periods beginning on or after January 1, 2019).** IAS 12 provides guidance on the recognition of current and deferred tax, but does not provide guidance on how to reflect the effects of uncertainty. The interpretation clarifies the application of the requirements of IAS 12 for recognition and measurement in the event of uncertainty when reporting income taxes. The organization must decide whether to consider each case of uncertainty separately or together with one or more other cases of uncertainty, depending on which approach best predicts the resolution of the uncertainty. The organization should proceed from the assumption that the tax authorities will verify the amounts for which they are entitled to audit, and during the audit they will have the full knowledge of all relevant information. If an organization concludes that it is unlikely that tax authorities will make a decision on a specific issue for which there is uncertainty in tax reporting, the consequences of the uncertainty will be reflected in the determination of the corresponding taxable profit or taxable loss, tax bases, unused tax losses, unused tax benefits or tax rates by using either the most probable value or the expected value, depending on what which method the organization considers the most suitable for predicting the resolution of uncertainty. An organization will reflect the effects of changes in facts and circumstances or the emergence of new information that affects judgments or estimates, as interpreted as changes in estimates.

Examples of changes in facts and circumstances or new information that could lead to a review of a judgment or assessment include, but are not limited to, checks or actions of tax authorities, changes in rules established by tax authorities, or expiration of a tax authority's right to verification or re-examination of a specific issue for the reflection of income tax. Lack of consent or disagreement of the tax authorities with a separate decision on a specific tax reflection issue, in the absence of other facts, most likely will not constitute a change in facts and circumstances or new information that affects judgments and estimates in accordance with the interpretation. The Company is currently evaluating how this interpretation will affect the financial statements.

**Prepayment Features with Negative Compensation - Amendments to IFRS 9 (issued October 12, 2017 and effective for annual periods beginning on or after January 1, 2019).** These amendments measure certain loans and debt securities at amortized cost that can be repaid in an amount lower than amortized cost, for example, at fair value or at a cost that includes reasonable consideration payable to the borrower equal to the present value of the effect of increasing the market interest rate in for the remaining life of the instrument.

In addition, the text added to the section "Basis for Conclusion" again confirms the current guidance in IFRS 9 that modifications or exchanges of certain financial liabilities measured at amortized cost that do not result in derecognition will result profit or loss in the statement of profit or loss and other comprehensive income.

Thus, in most cases, reporting organizations will not be able to revise the effective interest rate for the remaining term of the loan in order to avoid impact on profit or loss after loan modification. These amendments are not applicable to the Company.

**Long-term interests in associates and joint ventures - Amendments to IAS 28 (issued on October 12, 2017 and effective for annual periods beginning on or after 1 January 2019).**

These amendments explain that reporting organizations should apply IFRS 9 to long-term loans, preferred shares and similar instruments that are part of a net investment in an equity-based investment facility before they can reduce its book value by a share of the loss of the investment facility that exceeds the investor's participation in ordinary shares. The Company is currently evaluating how these amendments will affect the financial statements.

**Annual Improvements to IFRS, 2015-2017 - Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 (issued on December 12, 2017 and effective for annual periods beginning on or after 1 January 2019).** Amendments to a limited scope affect four standards. IFRS 3 has been clarified that the acquirer must reassess its previously held interest in a joint operation if it gains control of the business. In contrast, IFRS 11 has now made it clear that an investor should not reassess its previously held interest if it obtains joint control over a joint operation, similar to existing accounting requirements when an associate becomes a joint venture and vice versa. The amendment to IAS 12 clarifies that an entity should reflect all dividend payment effects on income taxes in the same sections as the transactions or events that resulted in the corresponding distributable profit, for example, in profit or loss or in other comprehensive income. It is clarified that this requirement applies in all cases where payments on financial instruments classified as equity represent a distribution of profits, and not only in cases where tax consequences are the result of applying different tax rates to distributable and retained earnings.

The revised IAS 23 standard now makes clear recommendations that borrowed funds received to finance a specific asset are excluded from the pool of general borrowing costs that can be capitalized only until the asset is practically



## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

completed. The Company assessed how these amendments will affect the financial statements. This clarification does not affect the financial statements of the Company.

**Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement"** (issued February 7, 2018 and effective for annual periods beginning on or after January 1, 2019). These amendments specify how pension costs should be determined in case of changes in the defined benefit pension plan. It is necessary to reevaluate the net liability or asset for defined payments when an adjustment to the plan occurs (change, reduction or settlement), in accordance with the requirements of IAS 19. These amendments require the application of updated assumptions for this revaluation in order to determine the cost of services for the current period and net interest for the remainder of the reporting period after a program change. Prior to the amendments, IAS 19 did not include guidance on how to determine these costs for the period after the plan change. The requirement to use updated assumptions is expected to provide useful information for users of financial statements. The Company assessed how these amendments will affect the financial statements. This clarification does not affect the financial statements of the Company.

**Amendments to the Conceptual Framework for Financial Reporting** (issued March 29, 2018 and effective for annual periods beginning on or after January 1, 2020). The revised financial reporting conceptual framework contains a new chapter on valuation, recommendations for reporting financial results, advanced definitions and recommendations (in particular, determination of liabilities) and clarifications on important issues such as the role of management, prudence and estimation uncertainty in preparing financial statements.

**Business Combinations – Amendments to IFRS 3** (issued on October 22, 2018 and effective for acquisitions from the beginning of the annual reporting period beginning on or after January 1, 2020). These amendments amend the definition of a business. A business consists of contributions and significant processes, which together form the ability to create returns. The new management includes a system to determine the contribution and the essential process, including for companies in the early stages of development that have not yet received returns. In the absence of returns, in order for the enterprise to be considered a business, an organized workforce must be present. The definition of the term "return" is narrowed to focus on the goods and services provided to customers, on the creation of investment income and other income, while excluding the results in the form of lower costs and other economic benefits. In addition, now it is no longer necessary to assess whether market participants are able to replace missing elements or integrate acquired activities and assets. An organization can apply a "concentration test". Acquired assets will not be considered a business if substantially all of the fair values of the acquired gross assets is concentrated in one asset (or a group of similar assets). The amendments are promising, and the Company will apply them and evaluate their impact from January 1, 2020.

**Definition of materiality - Amendments to IAS 1 and IAS 8** (issued on October 31, 2018 and effective for annual periods beginning on or after 1 January 2020). These amendments clarify the definition of materiality and the application of this concept by including recommendations by definition that were previously presented in other IFRS standards. In addition, clarifications to this definition have been improved. The amendments also ensure consistency in the use of the definition of materiality in all IFRS standards. Information is considered material if it is reasonably expected that its omission, misrepresentation or difficulty in understanding it may affect decisions made by the main users of general financial statements based on such financial statements that provide financial information about a particular reporting organization. The Company is currently evaluating how these amendments will affect the financial statements.

It is expected that these new standards and interpretations will not materially affect the financial statements of the Company unless otherwise indicated above.

#### Functional currency

The Company's functional currency is defined as the currency of the primary economic environment in which it operates. The Company's functional currency is the Kazakhstani tenge, because the Company's principal operating activities are conducted in tenge. Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Differences arising on both the translation at the date of the transaction and the translation of monetary assets and liabilities at the closing rate are recognized in statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction.

	December 31, 2019	December 31, 2018
US dollar	382.6	384.20





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

#### 3. REVIEW OF SIGNIFICANT ASPECTS OF ACCOUNTING POLICY

##### *Property, plant and equipment*

Property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses, if any.

The historical cost of property, plant and equipment consists of the purchase price or construction cost, borrowing costs in the case of long-term construction projects, if the criteria for capitalization are met, costs directly attributable to bringing the asset into working condition and the initial estimate of costs to liquidate the asset, if necessary. The purchase price or construction cost is the sum of the consideration paid and the fair value of the other consideration given to acquire the asset. Such cost also includes the cost of replacing parts of equipment. In case significant parts of property, plant and equipment need to be replaced at intervals, the Company recognizes such components as separate assets with their respective individual useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in the statement of profit or loss and other comprehensive loss when incurred.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the following useful lives:

Description	Useful life (years)
1. Buildings and constructions	20-30
2. Equipment	15-20
3. Vehicles	10-20
4. Other property, plant and equipment	
- Office equipment	4-10
- Furniture and supplies	2-15
- Leasehold improvements	5-10
- Land improvements	5-10

The useful life of an asset is determined with reference to the expected utility of the asset to the Company. The Company's asset management policy may provide for the retirement of assets after a certain period of time or after the consumption of a certain portion of future economic benefits embodied in the asset.

The estimate of the useful life of an asset is made using professional judgment based on the Company's experience with similar assets.

##### *Intangible assets*

Intangible assets are carried at cost, less accumulated amortization and accumulated impairment losses.

Cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Intangible assets are amortized on a straight-line basis over their estimated useful lives. The assets' estimated useful lives are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Income or expense arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive loss when the asset is derecognized.

##### *Financial instruments*

###### *Classification and subsequent evaluation of financial assets: valuation categories*

The Company classifies financial assets using the following valuation categories: measured at fair value through profit or loss, measured at fair value through other comprehensive income, and measured at amortized cost. The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related asset portfolio and (ii) the cash flow characteristics of the asset.

##### *Derecognition of financial assets*

The Company derecognizes financial assets when (a) the assets are redeemed or the rights to cash flows from the assets have otherwise expired or (b) the Company has transferred the rights to the cash flows from the financial





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

assets or entered into a transfer agreement while (i) also transferring substantially all the risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership of the assets but losing control over the assets. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without imposing restrictions on the sale.

#### *Categories for valuation of financial liabilities*

Financial liabilities are classified as subsequently measured at amortized cost other than: (i) financial liabilities measured at fair value through profit or loss: this classification applies to derivative financial instruments, financial liabilities held for trading (such as short positions in securities), contingent consideration recognized by the acquirer in a business combination, and other financial liabilities designated as such upon initial recognition; and (ii) financial guarantee contracts and loan commitments.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged or terminated or expires).

#### *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts, and there is an intention to either settle on a net basis, or to realize the asset and settle the liability simultaneously. The right of set-off under consideration (a) must not be contingent on possible future events and (b) must be legally enforceable in the following circumstances: (i) in the ordinary course of business, (ii) in the event of default (event of default) and (iii) in the event of insolvency or bankruptcy.

#### *Inventories*

Inventories are recorded at the lower of cost and net realizable value. When inventories are released for production and other disposals, they are valued using the weighted-average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original contractual maturities of three months or less. Cash and cash equivalents are carried at amortized cost because (i) they are held to collect contractual cash flows and these cash flows represent solely payments of principal and interest and (ii) they are not designated as at fair value through profit or loss. Conditions imposed solely by law do not affect the results of the cash flow assessment for meeting the definition of solely payments of principal and interest (SPPI test) unless they are included in the terms of the contract and would apply even if the law subsequently changed. Restricted cash balances are excluded from cash and cash equivalents for the purposes of the statement of cash flows. Restricted cash balances restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date are included in other non-current assets.

#### *Accounts receivable*

Trade and other receivables are recognized initially at fair value and subsequently at amortized cost calculated using the effective interest method.

In order to identify doubtful receivables, trade receivables are analyzed (requirement for completeness and prudence).

An estimate of the allowance for doubtful debts is made once at the end of each reporting year.

The basis for the calculation is the submitted statements of debtors indicating the amount of debt and its differentiation by terms of occurrence at the end of the year:

in case of debt maturity up to 3 months	10% of the total debt
in case of debt maturity from 3 to 6 months	25% of the total debt
in case of debt maturity from 6 to 9 months	50% of the total debt



## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

in case of debt maturity from 9 to 12 months	75% of the total debt;
in case of debt maturity over 12 months	100% of the total debt.

The amount of the provision in the reporting period should be taken into account in evaluating the balances of accounts receivable in order to identify the need to either restore the provision or additionally accrue it. Full provision should be made if necessary for receivables for which no provision has previously been accrued.

#### *Authorized capital*

Assets contributed to share capital are recognized at fair value at the time of contribution. The amount of the excess of the fair value of the assets received over the nominal value of the contribution to the share capital after its legal registration is charged directly to equity.

#### *Dividends*

Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved. Dividends declared after the reporting date and before the financial statements are authorized for issue are disclosed in the note "Events after the reporting period".

#### *Value added tax*

Value added tax (VAT) related to sales is payable to the tax authorities when goods are shipped or services are rendered. Input VAT is reclaimable against output VAT upon receipt of a tax invoice from a supplier. The tax legislation permits the settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases unsettled at the reporting date is stated in the statement of financial position on a net basis.

#### *Loans and borrowings*

Borrowings are initially recorded at fair value, net of transaction costs incurred, and subsequently at amortized cost using the effective interest method.

#### *Capitalisation of borrowing costs*

The commencement date for capitalization is when (a) the Company incurs expenditures in connection with the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale. Capitalization of borrowing costs continues up to the date when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete.

#### *Accounts payable*

Trade payables are accrued when the counterparty performed its obligations under the contract and are carried at amortized cost using the effective interest method.

#### *Revenue recognition*

Revenue is income arising in the ordinary course of the Company's business. Revenue is recognized at the transaction price. The transaction price represents the consideration to which the Company expects to be entitled in exchange for transferring control of the promised goods or services to the purchaser, excluding amounts received on behalf of third parties. Revenues are recognized net of VAT.

#### *Liabilities for employee benefits*

##### *(i) Wages, salaries and related contributions*

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the Company's employees. The Company does not incur any expenses in connection with pension payments to its employees. In accordance with the legislation of the Republic of Kazakhstan, the Company withholds pension contributions from employees' salaries and transfers them into a unified accumulative pension fund. Upon retirement of employees, all pension payments are made by the unified accumulative pension fund.





**PROEKT-ENS LLC**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION)**  
*(in thousands of Kazakhstani tenge)*

*Financial income and expenses*

Finance income includes interest income on funds invested and foreign currency gains. Interest income is recognized in profit or loss as it accrues, using the effective interest method.

Finance costs include interest expense on borrowings, amounts reflecting the amortization of discount on provisions and foreign currency losses. All borrowing costs are recognized in profit or loss using the effective interest method except for borrowing costs related to qualifying assets which are recognized as part of the cost of such assets.

Income and expenses arising from changes in foreign currency exchange rates are recognized on a net basis.

*Amendments to the financial statements after issuance*

These financial statements may be amended after they are issued only with the approval of the Company's management, which approved these financial statements for issue.

**4. REVENUE**

	2019	2018 (unaudited)
Income from services provided	76 744	1 158 018
	<b>76 744</b>	<b>1 158 018</b>

**5. COST OF GOODS SOLD**

	2019	2018 (unaudited)
Wages of individuals under contract	11 096	-
Insurance	1 611	4 406
Materials	467	126 852
Topographic, engineering-geological, geodesic works	82	-
Provision for unused vacations	47	-
Construction and installation works	-	205 283
Design and estimate documentation	-	240 850
Professional/consulting services	-	515
Other	-	172
	<b>13 303</b>	<b>578 078</b>

**6. ADMINISTRATIVE EXPENSES**

	2019	2018 (unaudited)
Wage expenses	18 385	37 552
Penalties, fines to the budget	2 904	-
Depreciation and amortization	1 527	3 277
Professional/consulting services	1 388	1 838
Prequalification, Tender	1 295	1 816
Travel expenses	980	113
Provision for vacations	803	-
Insurance	469	82
Materials	255	33
Bank services	210	343
Presentation expenses	186	1 566
Communications expenses	138	136
Communication services	70	46
Taxes and contributions	17	47



**PROEKT-ENS LLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION)**  
(in thousands of Kazakhstani tenge)

Expenses for maintenance of official vehicles	-	173
Consulting services on supplier pre-qualification	-	1 000
Lease	-	13 086
Other	2 257	2 068
	<b>30 884</b>	<b>63 178</b>

**7. INCOME TAX SAVINGS (EXPENSES)**

The income tax rate is 20% in 2019 and 2018:

	<b>2019</b>	<b>2018</b> (unaudited)
Current income tax expense	(7 991)	(18 865)
Deferred tax (expense) / savings	1 897	-
<b>Income tax (expense) / savings</b>	<b>(6 094)</b>	<b>(18 865)</b>

Reconciliation of income tax on pretax income to theoretical income tax on pretax income at a tax rate of 20% for the year ended December 31 is as follows:

	<b>2019</b>	<b>2018</b> (unaudited)
Profit (loss) before income tax expense	19 416	190 599
Tax rate	20%	20%
<b>Conditional savings (expenses) on income tax</b>	<b>(3 883)</b>	<b>(38 120)</b>
Tax effect of savings/(expenses) not deductible and income not deductible	(2 211)	19 255
<b>Income tax (expense)/savings</b>	<b>(6 094)</b>	<b>(18 865)</b>

Deferred tax (liability)/asset:

	<b>2019</b>	<b>2018</b> (unaudited)
Provision for advances paid	1 630	-
Property, plant and equipment	(190)	-
Provision for unused vacations	170	-
Provision for accounts receivable	164	-
Reserve for cash	6	-
Taxes	24	-
Other assets	93	-
<b>Deferred tax (liability)/asset</b>	<b>1 897</b>	<b>-</b>

Change in net deferred tax (liability)/asset on the statement of profit or loss and other comprehensive income:

	<b>2019</b>	<b>2018</b> (unaudited)
Deferred tax (liability)/asset at the beginning of the year	-	-
Deferred tax (liability)/asset at the end of the year	1 897	-
<b>Deferred tax (liability)/asset</b>	<b>1 897</b>	<b>-</b>

**8. PROPERTY, PLANT AND EQUIPMENT**

	<b>Land</b>	<b>Machinery and equipment</b>	<b>Vehicles</b>	<b>Other PPE</b>	<b>Total</b>
<b>Initial cost</b>					
On January 1, 2018 (unaudited)	-	1 778	9 424	27	11 229
Receipts	-	50	9 200	1 144	10 364
Disposals	-	-	-	(587)	(587)
<b>On December 31, 2018 (unaudited)</b>	<b>-</b>	<b>1 828</b>	<b>18 624</b>	<b>554</b>	<b>21 006</b>



**PROEKT-ENS LLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION)**  
(in thousands of Kazakhstani tenge)

Receipts	500	-	-	-	500
Disposals	(500)	-	(18 624)	-	(19 125)
<b>On December 31, 2019</b>	<b>-</b>	<b>1 828</b>	<b>-</b>	<b>554</b>	<b>2 382</b>
<b>Accumulated depreciation</b>					
<b>On January 1, 2018 (unaudited)</b>	<b>-</b>	<b>(274)</b>	<b>-</b>	<b>(2)</b>	<b>(277)</b>
Depreciation	-	(460)	(2 690)	(127)	(3 277)
<b>On December 31, 2018 (unaudited)</b>	<b>-</b>	<b>(764)</b>	<b>(2 690)</b>	<b>(99)</b>	<b>(3 553)</b>
Depreciation	-	(568)	(816)	(105)	(1 489)
Disposals	-	-	3 506	-	3 506
<b>On December 31, 2019</b>	<b>-</b>	<b>(1 332)</b>	<b>-</b>	<b>(204)</b>	<b>(1 537)</b>
<b>Residual value on December 31, 2018 (unaudited)</b>	<b>-</b>	<b>1 063</b>	<b>15 935</b>	<b>455</b>	<b>17 453</b>
<b>Residual value on December 31, 2019</b>	<b>-</b>	<b>495</b>	<b>-</b>	<b>350</b>	<b>845</b>

**9. INVENTORIES**

	<b>December 31, 2019</b>	<b>December 31, 2018 (unaudited)</b>
Products	107	149
Raw materials	37	251
	<b>144</b>	<b>400</b>

**10. TRADE AND OTHER RECEIVABLES**

	<b>December 31, 2019</b>	<b>December 31, 2018 (unaudited)</b>
Receivables from third parties	72 289	54 047
Other receivables	-	74
Less: provision for impairment of accounts receivable	(818)	-
	<b>71 471</b>	<b>54 121</b>

The Company applies the simplified approach under IFRS 9 to measure expected credit losses, which uses a lifetime provision for expected credit losses for all trade and other receivables.

**11. ADVANCES PAID**

	<b>December 31, 2019</b>	<b>December 31, 2018 (unaudited)</b>
Advances paid to third parties	8 773	10 572
Less: provision for impairment of advances paid	(8 150)	-
	<b>623</b>	<b>10 572</b>

**12. OTHER CURRENT ASSETS**

	<b>December 31, 2019</b>	<b>December 31, 2018 (unaudited)</b>
Guarantee liabilities	948	-
Short-term debts on loans granted to employees	466	466
Short-term debts of accountable persons	-	121
Future expenses	2 541	2 060
Provision for depreciation of other assets	(465)	-
	<b>3 490</b>	<b>2 647</b>

**PROEKT-ENS LLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION)**  
*(in thousands of Kazakhstani tenge)*

**13. CASH AND CASH EQUIVALENTS**

	December 31, 2019	December 31, 2018 (unaudited)
Cash in current bank accounts	987	33 350
Estimated provision for impairment of cash and cash equivalents	(31)	-
	956	33 350

Cash in bank accounts is presented with the following banks on December 31, 2019 and 2018:

	December 31, 2019	December 31, 2018 (unaudited)
Bank CenterCredit JSC	986	23 354
Halyk Bank of Kazakhstan JSC	1	9 996
	987	33 350

**14. AUTHORIZED CAPITAL**

The fully paid authorized capital of the Company on December 31, 2019 and 2018 is 110 thousand tenge.

**15. TRADE AND OTHER ACCOUNTS PAYABLE**

	December 31, 2019	December 31, 2018 (unaudited)
Payables to suppliers and contractors	3 804	52 013
	3 804	52 013

**16. ADVANCES RECEIVED**

	December 31, 2019	December 31, 2018 (unaudited)
Advances received from third parties	3 499	1 182
	3 499	1 182

**17. CURRENT TAX LIABILITIES**

	December 31, 2019	December 31, 2018 (unaudited)
Value added tax	8 335	656
Individual income tax	764	226
Social tax	120	164
	9 219	1 046

**18. OTHER CURRENT LIABILITIES**

	December 31, 2019	December 31, 2018 (unaudited)
Debts to accountable persons	5 128	-
Pension payment liabilities	668	260
Social security liabilities	50	72



## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

Liabilities for social and medical insurance	22	39
	5 868	371

## 19. CONTRACTUAL AND CONTINGENT LIABILITIES

### *Operational environment*

Emerging markets such as Kazakhstan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in Kazakhstan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

In March 2020, global oil prices fell sharply by more than 40%, resulting in an immediate weakening of the Kazakhstan tenge against major currencies.

In addition, in early 2020 a new coronavirus (COVID-19) began to spread very rapidly around the world, leading the World Health Organization (WHO) to declare the beginning of a pandemic in March 2020. The measures used by many countries to contain the spread of COVID-19 are causing significant operational difficulties for many companies and have a significant impact on global financial markets. Because the situation is evolving rapidly, COVID-19 can significantly impact many companies in a variety of sectors, including, but not limited to, disruption of operations through production stoppages or closures, supply chain disruptions, personnel quarantine, reduced demand, and difficulties in obtaining financing.

The impact of changes in economic conditions on the Company's future results of operations and financial condition could be significant.

### *Taxation*

Kazakhstan's tax laws and regulations are subject to ongoing changes and varying interpretations. There are frequent cases of differences of opinion between local, regional and republican tax authorities in relation to the interpretation of IFRS for accounting for income, expenses, and other elements of financial statements. The current system of fines and penalties for detected offenses based on the laws in force in Kazakhstan is very severe. Penalties include fines, as a rule, in the amount of 50% of the amount of additionally assessed taxes, and a penalty charged at the refinancing rate established by the National Bank of the Republic of Kazakhstan, multiplied by 2.5. As a result, the amount of penalties and interest may be several times higher than the amount of taxes payable. Financial periods remain open for review by the tax authorities for 5 calendar years proceeding the year in which the audit is conducted. Tax audits may cover longer periods under certain circumstances. The potential amount of taxes, penalties and interest, if any, may exceed the amount expensed to date and accrued on December 31, 2019, due to the uncertainty inherent in the Kazakhstan tax system.

Management believes that its interpretation of applicable law is appropriate and it is probable that the Company's tax position will be confirmed on December 31, 2019.

### *Changes in tax legislation*

The President of the Republic of Kazakhstan signed the Law on Amendments and Additions to the Tax Code on December 25, 2017, which came into effect on January 1, 2018. These changes did not have a material impact on the Company.

### *Legal issues*

The Company has not been the subject of any litigation or court decisions.

## 20. FINANCIAL INSTRUMENTS, OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT

The Company's risk management function is carried out in respect of financial, operational and legal risks. Financial risks include credit risk, liquidity risk and market risk (currency risk, interest rate risk and other price risk). The Company's risk management policies are designed to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to determine whether changes in market conditions and in the Company's operations are required. The Company establishes training and management standards and procedures to create a structured and effective control system in which all employees understand their roles and responsibilities. Operational and legal risk management must ensure proper functioning of internal policies and procedures to minimize these risks.



# PROEKT-ENS LLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

This note presents information about the Company's exposure to each of these financial risks, the Company's objectives, policies and procedures for measuring and managing those risks, and the Company's management of capital. Additional quantitative information is disclosed throughout these financial statements.

The Director is responsible for setting the Company's objectives and approving the Company's risk management policy, and is also responsible for implementing the risk management policy and arranging for an effective risk management system.

### Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market prices. The Company manages market risk through regular assessment of potential losses that could arise from adverse changes in market conditions.

### Credit risk

Credit risk is the risk of financial loss to the Company if customers or counterparties to a financial instrument fail to meet their contractual obligations, and arises principally from the Company's receivables from customers and balances with banks.

The maximum exposure to credit risk is the carrying value of third-party receivables and cash and cash equivalents as disclosed in the Notes to the financial statements.

The Company's risk is related to the possibility of counterparty default, with a maximum exposure equal to the carrying value of these instruments with respect to credit risk related to cash and cash equivalents and accounts receivable.

The ratings of the banks on which the Company has placed its cash and cash equivalents are as follows:

	Location	Rating	Balance	
			December 31, 2019	December 31, 2018
Bank CenterCredit JSC	Kazakhstan	BBB-/stable/A-3, kzAAA	986	23 354
Halyk Bank of Kazakhstan JSC	Kazakhstan	BBB-/stable/A-3, kzAAA	1	9 996
			987	33 350

Cash is placed in financial institutions that have minimal risk of default at the time of placement of funds.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise. The Company's financial liabilities, payable on demand, have an average maturity of 3-12 months, for trade payables to certain suppliers.

	3-12 months	1-5 years	Over 5 years	Total
<b>December 31, 2019</b>				
Trade and other payables	887	2 917	-	3 804
	887	2 917	-	3 804

	3-12 months	1-5 years	Over 5 years	Total
<b>December 31, 2018 (unaudited)</b>				
Trade and other payables	51 021	992	-	52 013
	51 021	992	-	52 013





## PROEKT-ENS LLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUATION) (in thousands of Kazakhstani tenge)

#### Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Changes in the US dollar and ruble exchange rates may affect the Company's statement of financial position as a result of the fact that some of the Company's assets and liabilities are denominated in foreign currencies. The Company has no foreign currency account balances on December 31, 2019.

#### Fair value

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The best evidence of fair value is the quoted price in an active market for a financial instrument. The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. The Republic of Kazakhstan continues to display some characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distorted conditions of transactions and therefore not represent fair values of financial instruments. Management has used all available information in estimating the fair value of financial instruments.

The fair values of cash and cash equivalents, accounts receivable and accounts payable approximate their carrying amounts due to the short-term nature of financial instruments.

#### Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company may adjust the amount of dividends paid to participants, return capital to participants or sell assets to reduce debt to maintain or adjust the capital structure.

	December 31, 2019	December 31, 2018 (unaudited)
Debt	31 080	67 477
Less cash and cash equivalents	956	33 350
<b>Net debt</b>	<b>30 124</b>	<b>34 127</b>
Equity	48 650	51 537
<b>Net debt to equity ratio</b>	<b>0,62</b>	<b>0,66</b>

## 21. RELATED PARTY DISCLOSURES

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

There have been no transactions with related parties.

#### Remuneration for key management personnel

Key management personnel consist of 2 persons on December 31, 2019 (2018: 2 persons). Total remuneration of key management personnel for the year ended December 31, 2019 consists of wages and salaries and other short-term benefits included in administrative expenses in the statement of profit or loss and other comprehensive income in the amount of 1,057 thousand tenge (2018: 736 thousand tenge).

## 22. EVENTS AFTER THE REPORTING DATE

There were no material events after the reporting date on the date of approval of the financial statements.







**Russell Bedford**  
taking you further

*Audit, Consulting, Tax*

**Russell Bedford**  
GROUP OF COMPANIES

*Appraisal, Training, IT-Audit*



## **PROEKT-ENS LLC**

### **Financial statements**

*for the year ended December 31, 2020  
with the independent auditor's report*



# PROEKT-ENS LLC

## CONTENT

---

### MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR PREPARATION AND APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

#### Independent auditor's report

Page

#### Financial statements:

Statement of profit or loss and other comprehensive income-----	1
Statement of financial position -----	2
Statement of cash flows -----	3
Statement of changes in equity-----	4
Notes to the financial statements-----	5-22

## PROEKT-ENS LLC

### MANAGEMENT CONFIRMATION OF RESPONSIBILITY FOR PREPARATION AND APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

The following statement is made, which should be read in conjunction with the description of the auditors' responsibilities contained in the Independent Auditor's Report filed in order to distinguish between the responsibilities of the auditors and management with respect to the financial statements of PROEKT-ENS LLC (hereinafter referred to as the "Company").

The management of the Company is responsible for the preparation of audited financial statements that faithfully reflect in all material respects the financial position of the Company, as well as its operating results, movement cash and changes in equity for the year ended on that date, in accordance with International Financial Reporting Standards ("IFRS") on December 31, 2020.

In preparing the financial statements, management is responsible for:

- ensuring the right choice and application of accounting policies;
- presentation of information, incl. data on accounting policies in a form that ensures the relevance, reliability, comparability and comprehensibility of such information;
- disclosure of additional information in cases where compliance with IFRS is not sufficient for users to understand the financial statements of the impact that certain transactions, as well as other events or conditions, have on the financial position and financial performance of the Company;
- assessment of the Company's ability to continue operations in the foreseeable future.

Management is also responsible for:

- development, implementation and maintenance of an effective and reliable system of internal control of the Company;
- maintaining records in a form that allows you to disclose and explain the transactions of the Company, as well as provide at any date information of sufficient accuracy about the financial position of the Company and ensure that financial statements comply with IFRS;
- accounting in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonably possible measures to ensure the safety of the assets of the Company; and
- identification and prevention of facts of financial and other abuses.

These financial statements of the Company for the year ended December 31, 2020 were approved for issue on May 15, 2021.

On behalf of the management of PROEKT-ENS LLC:

Tobykbayev B.B.

Director

Almaty, Republic of Kazakhstan



Not provided

Chief Accountant



## INDEPENDENT AUDITOR'S REPORT

To Members and Management of PROEKT-ENS LLC

### Qualified Opinion

We have audited the financial statements of PROEKT ENS LLC (hereinafter referred to as the "Company"), which comprise the statement of financial position on December 31, 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effect of the matter described under "Basis for Qualified Opinion", the financial statements present fairly and reasonably, in all material respects, the financial position of the Company on December 31, 2020, and its financial results and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### Basis for Qualified Opinion

The Company has not audited the financial statements for the years preceding 2018 and for the year ended December 31, 2018; accordingly, we cannot confirm the amount of retained earnings in the amount of 237,107 thousand tenge stated in the Company's statement of financial position for the year ended December 31, 2020.

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described further in the "Auditor's Responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the *Code of Ethics of Professional Accountants* of the Council on International Ethics Standards for Accountants (CIESA Code), and we have fulfilled other ethical obligations in accordance with the CIESA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to warrant the expression of our qualified opinion.

### Other information

The financial statements of the Company have been audited by «IAC «Russell Bedford A+ Partners» LLP on December 31, 2019 with qualified opinion.

### Management responsibility for the preparation of the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for the internal control system that management considers necessary to prepare financial statements that are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue to operate continuously, for disclosing, as appropriate, information related to business continuity, and for preparing statements based on the going concern assumption, unless management intends to liquidate the Company, terminate its activity or when it does not have any other real alternative, except liquidation or termination of activity.

Those responsible for corporate governance are responsible for overseeing the preparation of the financial statements of the Company.



## Auditor responsibility

Our goal is to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion.

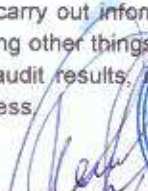
Reasonable assurance represents a high degree of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always reveal material misstatement, if any.

Misstatements may be the result of fraud or error and are considered material if it can reasonably be assumed that, individually or collectively, it may affect the economic decisions of users based on these financial statements.

We apply professional judgment and maintain professional skepticism throughout the audit as part of the audit conducted in accordance with the International Auditing Standards. In addition, we do the following:

- we identify and assess the risks of material misstatement of the financial statements due to fraud or error; We develop and conduct audit procedures in response to these risks; We obtain audit evidence that is sufficient and appropriate to serve as the basis for our opinion. The risk of not detecting material misstatement as a result of fraud is higher than the risk of not detecting material misstatement as a result of an error, as fraud can include conspiracy, forgery, intentional omission, misrepresentation of information or actions that bypass the internal control system;
- we gain an understanding of the internal control system that is relevant to the audit, with the aim of developing audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management;
- we conclude that it is legitimate for management to apply the going concern assumption, and based on the audit evidence obtained, it concludes that there is significant uncertainty in connection with events or conditions that could result in significant doubts about the Company's ability to continue its business. If we conclude that there is material uncertainty, we must draw attention in our audit report to the appropriate disclosures in the financial statements or, if such disclosures are inappropriate, to modify our opinion. Our findings are based on audit evidence obtained prior to the date of our audit opinion. However, future events or conditions may cause the Company to lose its ability to continue to operate continuously;
- we evaluate the presentation of the financial statements as a whole, its structure and content, including disclosure of information, as well as whether the financial statements represent the underlying operations and events in such a way that their reliable presentation is ensured.

We carry out information interaction with persons responsible for corporate governance, bringing to their attention, among other things, information about the planned scope and timing of the audit, as well as significant comments on the audit results, including significant deficiencies in the internal control system that we identify during the audit process.

  
Adilzhan Kenzhekulov  
Audit Partner  
«IAC «Russell Bedford A+ Partners» LLP

The qualification certificate of the auditor  
№1-PN 0001018 dated January 30, 2020

  
Sholpanay Kudaibergenova  
General Director  
«IAC «Russell Bedford A+ Partners» LLP

State license for engaging in audit activities in the Republic of Kazakhstan No. 18013076, issued by the Committee of Internal State Audit of the Ministry of Finance of the Republic of Kazakhstan on July 3, 2018.

May 15, 2021  
Almaty, Republic of Kazakhstan




PROEKT-ENS LLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(in thousands of Kazakhstani tenge)

	Note	2020	2019
Revenue	4	830 681	76 744
Cost of goods sold	5	(457 633)	(13 303)
<b>Gross profit</b>		<b>373 048</b>	<b>63 441</b>
Selling expenses		(392)	(2 152)
Administrative expenses	6	(50 908)	(30 884)
Financial expenses	15	(24 924)	-
Exchange rate difference, net		(11 966)	-
Other income		100	14 194
Other expenses		(36 355)	(25 184)
<b>Profit / (loss) before tax</b>		<b>248 603</b>	<b>19 415</b>
Income tax savings / (expenses)	7	(60 037)	(6 094)
<b>Profit / (loss) for the year</b>		<b>188 566</b>	<b>13 321</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income / (loss) for the year</b>		<b>188 566</b>	<b>13 321</b>

These financial statements have been approved by the management of the Company and signed on its behalf:

  
Tobykbayev B.B.

Director

Not provided

Chief Accountant



The explanatory notes are an integral part of these financial statements



**PROEKT-ENS LLC**

**STATEMENT OF FINANCIAL POSITION  
ON DECEMBER 31, 2020**  
*(in thousands of Kazakhstani tenge)*

	Note	December 31, 2020	December 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	69 939	845
Intangible assets		126	105
Deferred tax asset		2 818	1 897
		<b>72 884</b>	<b>2 847</b>
<b>Current assets</b>			
Inventories	9	9 581	144
Trade and other receivables	10	798 830	71 471
Advances paid	11	767 123	623
Current tax assets		230	199
Cash	13	12 366	956
Other current assets	12	121 062	3 490
		<b>1 709 191</b>	<b>76 883</b>
<b>Total assets</b>		<b>1 782 075</b>	<b>79 730</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Authorized capital	14	110	110
Retained earnings		237 107	48 540
		<b>237 217</b>	<b>48 650</b>
<b>Non-current liabilities</b>			
Liabilities under lease agreements	20	11 200	-
		<b>11 200</b>	<b>-</b>
<b>Current liabilities</b>			
Loans and borrowings	15	1 072 776	-
Trade and other payables	16	340 271	3 804
Advances received	17	47 500	3 499
Income tax payable		6 141	6 091
Current tax liabilities	18	42 575	9 219
Liabilities for employee benefits		5 297	1 749
Estimated liabilities		4 231	850
Other current liabilities	19	14 868	5 868
		<b>1 533 659</b>	<b>31 080</b>
<b>Total equity and liabilities</b>		<b>1 782 075</b>	<b>79 730</b>

These financial statements have been approved by the management of the Company and signed on its behalf:

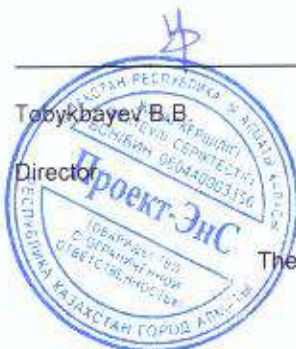
Tobykbayev B.B.

Director

Not provided

Chief Accountant

The explanatory notes are an integral part of these financial statements





# PROEKT-ENS LLC

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020 (in thousands of Kazakhstani tenge)

	2020	2019
<b>Cash flow from operating activities</b>		
Cash flows from customers	221 302	69 820
Payments to suppliers for goods and services	(1 170 339)	(62 156)
Payments for wages and salaries	(41 042)	(15 705)
Other receipts	7 298	4 904
Other payments	(4 132)	(1 433)
Income tax and other payments to the budget	(96 726)	(28 324)
<b>Net cash flow from operating activities</b>	<b>(1 083 639)</b>	<b>(32 894)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	60 795	500
Purchase of intangible assets	58	-
<b>Net cash flow from investing activities</b>	<b>60 853</b>	<b>500</b>
<b>Cash flow from financing activities</b>		
Receiving loans	1 038 919	-
<b>Net cash flow from financing activities</b>	<b>1 038 919</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>16 133</b>	<b>(32 364)</b>
Net exchange rate difference	(4 723)	-
Cash and cash equivalents, on January 1	956	33 350
<b>Cash and cash equivalents, on December 31</b>	<b>12 366</b>	<b>956</b>

These financial statements have been approved by the management of the Company and signed on its behalf:

Tobykbayev B.B.

Director



Not provided

Chief Accountant

The explanatory notes are an integral part of these financial statements



**PROEKT-ENS LLC****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
*(in thousands of Kazakhstani tenge)*

	Authorized capital	Retained earnings	Total capital
On January 1, 2019	110	51 427	51 537
Payment of dividends	-	(16 208)	(16 208)
Net profit/(loss) for the year	-	13 321	13 321
On December 31, 2019	110	48 540	48 650
Net profit/(loss) for the year	-	188 566	188 566
On December 31, 2020	110	237 107	237 217

These financial statements have been approved by the management of the Company and signed on its behalf:



Tobykbayev B.B.

Director



Not provided

Chief Accountant



The explanatory notes are an integral part of these financial statements





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
*(in thousands of Kazakhstani tenge)*

**1. GENERAL INFORMATION**

PROEKT-ENS Limited Liability Company, formerly A&B Construction Group LLP (hereinafter referred to as the "Company"), was formed and incorporated on April 17, 2006.

The Company's members and ultimate controlling parties on December 31, 2020 are:

- Tobymbayev Beken Bekbosynovich, citizen of the Republic of Kazakhstan, IIN 580511301560 - share in the authorized capital - 45%.
- Shakin Alexey Yuryevich, citizen of the Republic of Kazakhstan, IIN 840806300690 - share in the authorized capital - 45%.
- Zhanabayeva Nurgul Oralbekovna, citizen of the Republic of Kazakhstan, IIN 83091400859 - share in the authorized capital - 10%

The Company was renamed PROEKT-ENS LLC on November 18, 2020.

The legal and actual address of the Company is Republic of Kazakhstan, Almaty, Muratbayev street, 180, office 401.

The Company is a legal entity under the laws of the Republic of Kazakhstan and carries out activities in accordance with its Charter, including:

- Installation of engineering networks and systems, including major repairs and reconstruction, including:
  - networks of cold and hot water supply, heating, centralized sewerage of domestic, industrial and storm water, the device of internal systems of water supply, heating and sewerage;
  - power supply networks and devices of external electric lighting, internal systems of electric lighting and electric heating;
  - power supply networks of railroad communication lines, power supply networks and power lighting of air transport enterprises;
  - gas supply networks of high and medium pressure, domestic and industrial low pressure gas supply. internal gas supply systems;
- Construction of roads and railroads, including major repairs and reconstruction, including:
  - Foundations and coatings of runways of airfields and helipads;
  - Foundations and coatings, protective structures and equipment of highways III, IV and V technical category, as well as the carriageway of the streets of settlements that are not highways;
  - Foundations and coatings, protective structures and equipment of highways I and II technical category, as well as intracity main roads of high-speed and regulated traffic, the carriageway of main roads of citywide continuous and regulated traffic.
- Installation of technological equipment, commissioning works related to:
  - Theatrical, entertainment, educational and sports facilities
  - Communication, emergency protection, control and alarm systems, interlocking in transportation, power and water supply facilities, other life support facilities, as well as accounting and control devices for industrial purposes
  - Hydrotechnical and land reclamation facilities
  - Production of construction materials, products and structures
- Special work in soils, including:
  - Drilling work in the ground;
  - Arrangement of foundations;
- Erection of supporting and (or) enclosing structures of buildings and structures (including bridges, overpasses, tunnels and overpasses, other artificial structures), including major repairs and reconstruction of facilities, including:
  - Installation of lifting structures (elevators, escalators, shaft headframes and elevators, ropeways and other lifting structures);
  - Chimneys, silos, cooling towers, over-mine copra;
  - Roofing work;
  - Installation of monolithic and precast concrete and reinforced concrete structures, masonry elements of walls and partitions and filling of openings;
  - Assembling building structures of tower and mast types, chimneys;
  - Installation of metal structures;
  - Hydraulic and mudflow protection structures, dams, dikes;
  - Installation of bearing structures of bridges and bridge crossings;





- Special construction and installation work on the laying of linear structures, including major repairs and reconstruction, including:

- Trunk power lines with voltage up to 35 kV and up to 110 kV and above;
- National and international communication and telecommunication lines;
- Steel tanks (reservoirs), including those operating under pressure or designed to store explosive and fire-hazardous or other hazardous (harmful) liquid or gaseous substances;
- Field and main networks of oil pipelines, gas pipelines, as well as main networks of oil product pipelines;

- The Company is entitled to carry out other types of activities, not prohibited by the legislation of the Republic of Kazakhstan, both on the territory of the Republic of Kazakhstan and abroad, in the manner and on the terms set forth by the legislation of the Republic of Kazakhstan.

- Certain types of activities, which are subject to compulsory licensing in accordance with the legislation of the Republic of Kazakhstan, the Company shall carry out only after obtaining the relevant license.

The Company operates under licenses issued by the Department of State Architectural and Construction Control of Almaty Akimat.

The Company operates under the following licenses:

1. License No. 200010701 for construction and installation works of the II category issued on July 24, 2020. Date of initial issuance on December 25, 2014.
2. License No. 20010699 for performance of design activity of the II category issued on July 24, 2020. Date of initial issuance on July 2, 2014.
3. Licence GSLN000461 for construction and assembly works of the I category issued on January 24, 2021, initial issue date - May 19, 2006

The management bodies of the Company are:

- The supreme governing body - the General Meeting of Members;
- Executive body - Director;
- Supervisory body - the Supervisory Board (if any)

The Company had 37 employees on December 31, 2020.

#### ***The economic environment in which the Company operates***

Overall, the economy of the Republic of Kazakhstan continues to display some characteristics of an emerging market. It is particularly sensitive to fluctuations in the prices of oil and gas and other minerals, which constitute the bulk of the country's exports. These characteristics also include, but are not limited to, the existence of a national currency that is not freely convertible outside of the country and a low level of liquidity in the securities market.

Ongoing political tensions in the region and exchange rate volatility have had and may continue to have a negative impact on Kazakhstan's economy, including reduced liquidity and difficulties in attracting international funding.

The National Bank and the Government of the Republic of Kazakhstan decided to stop supporting the exchange rate of tenge and implement a new monetary policy based on inflation targeting regime, cancellation of currency corridor and transition to a free-floating exchange rate on August 20, 2015. At the same time, the National Bank's exchange rate policy allows for interventions to prevent sharp fluctuations in the tenge exchange rate to ensure financial stability.

The official exchange rate of the National Bank of the Republic of Kazakhstan was 420.71 tenge per 1 US dollar on December 31, 2020 (December 31, 2019: 381.18 tenge per 1 US dollar). Thus, there remains uncertainty about the exchange rate of tenge and future actions of the National Bank and the Government, as well as the impact of these factors on the economy of the Republic of Kazakhstan.

In March 2020, the international rating agency Standard & Poor's confirmed long-term credit ratings of Kazakhstan on liabilities in foreign and national currencies at - "BBB-" and short-term ratings of Kazakhstan on liabilities in foreign and national currencies at - "A-3", and national scale rating - "kzAAA". The outlook on the long-term ratings is "stable". The stable outlook is confirmed by positive balance sheet indicators formed by additional revenues to the National Fund of the Republic of Kazakhstan, as well as the low public debt, the total amount of which will not exceed the external liquid assets of the state in two years.

Production growth and oil price stability, low unemployment and rising wages contributed to moderate economic growth in 2020. This economic environment has a significant impact on the Company's operations and financial position. Management is taking all necessary measures to ensure sustainability of the Company's operations. However, the future





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

*(in thousands of Kazakhstani tenge)*

effects of the current economic environment are difficult to predict and management's current expectations and estimates could differ from actual results. Additionally, the electric power sector in the Republic of Kazakhstan remains subject to political, legislative, fiscal and regulatory developments in the Republic of Kazakhstan. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the government, together with legal, regulatory and political developments, which are beyond the Company's control.

Management is unable to predict either the extent or duration of developments in the Kazakhstani economy or evaluate their potential effect on the Company's future financial position. Management believes it is taking all necessary measures to support the sustainability and growth of the Company's business in the current circumstances.

To estimate the expected credit losses, the Company uses confirmed forecast information, including forecasts of macroeconomic indicators. However, as with any economic forecasts, assumptions and their probability are inevitably associated with a high level of uncertainty and, consequently, actual results may differ significantly from those projected. Note 28 provides additional information on how the Company incorporates forward-looking information into its expected credit loss models.

The financial statements reflect management's assessment of the impact of the Kazakhstan economic and political environment on the Company's operations and financial position. The actual impact of future business conditions may differ from management's assessment.

## **2. BASIS FOR PREPARING FINANCIAL STATEMENTS**

### *Basis of preparing financial statements*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, except for financial instruments that are initially recognized at fair value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

### *Currency of reporting*

These financial statements are expressed in thousands of Kazakhstani tenge unless otherwise stated.

### *Going concern principle*

Comprehensive income for the year ended December 31, 2020 amounted to 188 566 thousand tenge (2019: comprehensive income - 13 321 thousand tenge). The Company's current assets exceeded its current liabilities by 175 532 thousand tenge on December 31, 2020 (December 31, 2019: 45 805 thousand tenge).

The accompanying financial statements have been prepared on a going concern basis, which assumes that the Company's operations will be profitable and that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

### *Foreign currency translation*

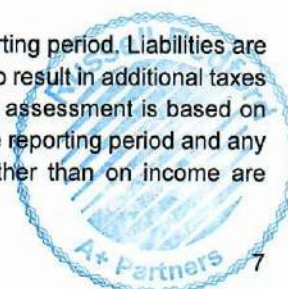
The Company's functional currency is the currency of the primary economic environment in which the entity operates. The Company's functional and presentation currency is the national currency of Kazakhstan - the Kazakhstani tenge. Exchange restrictions and controls exist relating to converting tenge into other currencies. At present, the tenge is not a freely convertible currency outside the Republic of Kazakhstan.

Monetary assets and liabilities are translated into functional currency at market exchange rates at the end of the respective reporting period. Foreign exchange gains and losses resulting from the settlement of transactions in foreign currency and from the translation of monetary assets and liabilities into the Company's functional currency at year-end market exchange rates are recognized in profit or loss for the year.

The market closing exchange rate used to revalue foreign currency account balances was 420.91 tenge per US dollar on December 31, 2020.

### *Uncertain tax positions*

The Company's uncertain tax positions are assessed by management at the end of each reporting period. Liabilities are recorded for income tax positions that are determined by management as more likely than not to result in additional taxes being levied if the Company's tax positions were to be challenged by the tax authorities. The assessment is based on the interpretation of tax laws that have been enacted or substantively enacted by the end of the reporting period and any known court or other rulings on such issues. Liabilities for penalties, interest and taxes other than on income are





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

recognized based on management's best estimate of the expenditure required to settle the obligations at the end of the reporting period.

**Below are amendments and clarifications to the standards that are effective from January 1, 2020.**

Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform
Amendments to IFRS 3	Business Combinations
Amendments to IAS 1 and IAS 8	Definition of Material
Conceptual Framework	Amendments to Conceptual Framework for Financial Reporting

The Company has not early adopted the amendment to IFRS 16 Covid-19-Related Rent Concessions. This amendment is mandatory for annual periods beginning on or after July 1, 2020. It is applied retrospectively in accordance with IAS 8, but does not require a restatement of comparative information.

**Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7**

The amendments to IFRS 9, IAS 39 and IFRS 7 include a number of exemptions that apply to all hedging relationships that are directly affected by the interest rate reform. The hedging relationship will be affected if the reform creates uncertainty about the timing and / or cash flows based on the benchmark interest rate for the hedged item or hedged instrument. The reform may create uncertainties about the timing and / or cash flows based on the interest rate base for the hedged item or hedged instrument during the period before replacing the existing base interest rate with an alternative substantially risk-free interest rate. This can lead to uncertainty about the assessment of the probability of the forecast transaction and the assessment of whether the hedging relationship will be highly effective. These amendments have not been applied by the Company.

**Amendments to IFRS 3 Business Combinations**

In October 2018, the IASB issued amendments to IFRS 3 Business Combinations that change the definition of "business" and should help entities determine whether or not an acquired set of activities and assets is a business. These amendments clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing element, and add guidance to help entities assess whether an acquired process is significant, narrow the definitions of "business" and "output", and introduce an optional fair value concentration test. These amendments had no impact on the Company's financial statements.

**Amendments to IAS 1 and IAS 8 Definition of Material**

The IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to harmonize the definition of materiality across standards and clarify certain aspects of that definition in October of 2018.

According to the new definition, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.". These amendments had no impact on the Company's financial statements.

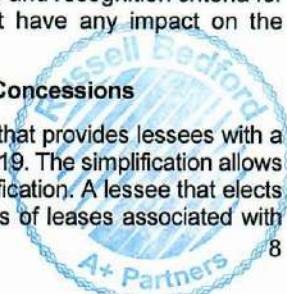
**Amendments to Conceptual Framework for Financial Reporting Issued on March 29, 2018**

The Conceptual Framework is not a standard and none of the provisions contained therein take precedence over any standard. The purpose of the Conceptual Framework is to assist the IASB in developing IFRS standards; assist preparers of financial statements in the development of accounting policies in cases where none of the standards regulate a particular transaction or other event, or when the standard allows for a choice of accounting policies; and to assist all parties in understanding and interpreting the standards.

The revised conceptual framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities, and clarifies some important concepts. These amendments did not have any impact on the Company's financial statements.

**The impact of the initial application of the amendment to IFRS 16 Covid-19-Related Rent Concessions**

In May 2020, the IASB issued an amendment to IFRS 16 Covid-19-Related Rent Concessions that provides lessees with a simplification when accounting for lease assignments arising as a direct consequence of COVID-19. The simplification allows a lessee to elect not to evaluate whether a COVID-19-related lease assignment is a lease modification. A lessee that elects to apply the amendments must account for any lease modifications resulting from assignments of leases associated with





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

COVID-19 in the same manner as it would have accounted for the modification under IFRS 16 if the modification was not a lease modification.

The assignment of the lease must be granted to the tenant as a direct consequence of the COVID-19 pandemic and must meet all of the following conditions in order for this simplification to apply:

1. The revised rent reimbursement amount remains substantially the same or becomes less than the rent reimbursement amount before the assignment was granted;
2. The reduction in lease payments relates only to payments that were due no later than June 30, 2021 under the original lease (an assignment to a lease satisfies this condition if it results in a reduction in lease payments on or before June 30, 2021 and an increase in lease payments after June 30, 2021); and
3. There are no other material changes to the terms of the lease.

The amendments had no impact on the Company's financial statements.

**New and revised IFRSs issued but not yet effective**

The following new and revised IFRSs issued but not yet effective have not been applied as of the date of approval of these financial statements by the Company:

IFRS 17	Insurance Contracts
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16	Interest Rate Benchmark Reform – Phase II
Amendments to IFRS 3	Business Combinations - References to Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts - Cost of Fulfilling a Contract
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IFRS 1, IFRS 9, IAS 41, IFRS 16	Annual improvements to IFRS, cycle 2018-2020

The Company does not expect that the application of the standards mentioned above will have a material impact on the financial statements in subsequent periods.

IFRS 17 Insurance Contract. IFRS 17 establishes principles for recognition, measurement, presentation and disclosure of insurance contracts and replaces IFRS 4 Insurance contracts.

IFRS 17 presents a general model that, for insurance contracts with direct participation conditions, is modified and defined as the variable consideration method. If certain criteria are met, the general model is simplified by estimating the liability for the remaining coverage using the premium allocation method.

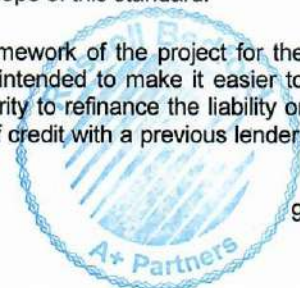
The general model uses current assumptions to estimate the amount, timing, and uncertainty of future cash flows and separately estimates the cost of such uncertainty. The model takes into account market interest rates and the effect of policyholders' options and guarantees.

The standard is effective for annual reporting periods beginning on or after January 1, 2023, with early application permitted. It is applied retrospectively if practicable, otherwise the modified retrospective approach or fair value accounting must be applied. Draft Amendments to IFRS 17 issues and implementation challenges that have been identified since the issuance of IFRS 17. Consequently, the effective date of the standard has been postponed to January 1, 2023 (originally January 1, 2021).

For transition requirements, the date of initial application is the beginning of the annual reporting period in which an entity first applies the standard and the transition date is the beginning of the period immediately preceding the date of initial application.

The Company's management does not expect the adoption of this standard to have an impact on the Company's financial statements in the future, as the Company does not have any instruments that are within the scope of this standard.

Amendments to IAS 1 Classification of Liabilities as Current or Non-current (within the framework of the project for the formation of the Annual Improvements to IFRS Cycles 2010-2012). The amendments are intended to make it easier to understand that a liability is classified as non-current if the entity expects and has the authority to refinance the liability or postpone its maturity by at least 12 months after the reporting period under an existing line of credit with a previous lender, on equal or similar terms.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
*(in thousands of Kazakhstani tenge)*

The amendments only change the presentation of liabilities in the statement of financial position, i.e. not in terms of the amount, the moment of recognition or disclosure of information.

The amendments clarify that the classification should be based on the existence at the end of the reporting period of the right to defer settlement of the obligation by at least 12 months. Therefore, the amendments explicitly state that only those rights that exist "at the end of the reporting period" should have an impact on the classification of the liability. However, the classification does not depend on expectations about whether an entity will exercise the right to defer settlement of a liability, which means a transfer to a counterparty of cash, equity instruments, or other assets or services.

The amendments are effective for periods beginning on or after January 1, 2023 and are applied retrospectively. Earlier application is permitted.

The Company's management does not expect the application of these amendments to have an impact on the Company's financial statements in future periods.

**Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16 Interest Rate Benchmark Reform – Phase II**

Changes in the Interest Rate Benchmark Reform – Phase II (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) address the accounting impact of the base interest rate reform modifications to financial assets, financial liabilities and lease liabilities, hedge accounting and disclosure requirements under IFRS 7.

Modification of financial assets, financial liabilities and lease liabilities. The IASB introduces a practical exception to account for changes in contractual cash flows as a direct consequence of a reform in base interest rates, provided that the new cash flow basis is economically equivalent to the original basis. Such changes in cash flows must be accounted for prospectively by restating the effective interest rate as a practical exception. All other modifications are accounted for using current IFRS requirements. A similar practical exception applies to lessees when accounting for leases in accordance with IFRS 16.

**Information disclosure.** The amendments require an entity to disclose additional information so that users can understand the nature and extent of the risks arising from the IBOR reform and how the entity is managing those risks, as well as the entity's current status in moving from IBOR to alternative base rates, and how the organization manages this transition.

The amendments are effective for annual periods beginning on or after January 1, 2021 and must be applied retrospectively, with early application permitted.

Management of the Company does not expect that the application of these amendments may have an impact on the Company's financial statements in future periods.

**Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.** The amendments to IFRS 10 and IAS 28 apply to the sale or contribution of assets between an investor and its associate or joint venture. In particular, the amendments clarify that gains or losses arising from the loss of control over a subsidiary that is not a business in a transaction with an associate or joint venture that are accounted for using the equity method are recognized in the parent's profit or loss only in the share of other unrelated investors in this associate or joint venture.

Similarly, gains or losses on the fair value revaluation of the remaining interest in the former subsidiary (which is classified as an investment in an associate or joint venture and accounted for using the equity method) are recognized by the former parent only to the share of unrelated investors in the new associate or joint venture.

An effective date has not yet been determined, but early adoption is permitted.

The Company's management does not expect that the application of these amendments could have an impact on the Company's financial statements in future periods if such transactions occur.

**Functional currency**

The Company's functional currency is defined as the currency of the primary economic environment in which it operates. The Company's functional currency is the Kazakhstani tenge, because the Company's principal operating activities are conducted in tenge. Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Differences arising on both the translation at the date of the transaction and the translation of monetary assets and liabilities at the closing rate are recognized in statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

	December 31, 2020	December 31, 2019
US dollar	420,91	381,18

### 3. REVIEW OF SIGNIFICANT ASPECTS OF ACCOUNTING POLICY

#### *Property, plant and equipment*

Property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses, if any.

The historical cost of property, plant and equipment consists of the purchase price or construction cost, borrowing costs in the case of long-term construction projects, if the criteria for capitalization are met, costs directly attributable to bringing the asset into working condition and the initial estimate of costs to liquidate the asset, if necessary. The purchase price or construction cost is the sum of the consideration paid and the fair value of the other consideration given to acquire the asset. Such cost also includes the cost of replacing parts of equipment. In case significant parts of property, plant and equipment need to be replaced at intervals, the Company recognizes such components as separate assets with their respective individual useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in the statement of profit or loss and other comprehensive loss when incurred.

Depreciation of property, plant and equipment is calculated on a straight-line basis over the following useful lives:

Description	Useful life (years)
1. Buildings and constructions	20-30
2. Equipment	15-20
3. Vehicles	10-20
4. Other property, plant and equipment	
- Office equipment	4-10
- Furniture and supplies	2-15
- Leasehold improvements	5-10
- Land improvements	5-10

The useful life of an asset is determined with reference to the expected utility of the asset to the Company. The Company's asset management policy may provide for the retirement of assets after a certain period of time or after the consumption of a certain portion of future economic benefits embodied in the asset.

The estimate of the useful life of an asset is made using professional judgment based on the Company's experience with similar assets.

#### *Intangible assets*

Intangible assets are carried at cost, less accumulated amortization and accumulated impairment losses.

Cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Intangible assets are amortized on a straight-line basis over their estimated useful lives. The assets' estimated useful lives are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Income or expense arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive loss when the asset is derecognized.

#### *Financial instruments*

##### *Classification and subsequent evaluation of financial assets: valuation categories*

The Company classifies financial assets using the following valuation categories: measured at fair value through profit or loss, measured at fair value through other comprehensive income, and measured at amortized cost. The classification





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
*(in thousands of Kazakhstani tenge)*

and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related asset portfolio and (ii) the cash flow characteristics of the asset.

*Derecognition of financial assets*

The Company derecognizes financial assets when (a) the assets are redeemed or the rights to cash flows from the assets have otherwise expired or (b) the Company has transferred the rights to the cash flows from the financial assets or entered into a transfer agreement while (i) also transferring substantially all the risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership of the assets but losing control over the assets. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without imposing restrictions on the sale.

*Categories for valuation of financial liabilities*

Financial liabilities are classified as subsequently measured at amortized cost other than: (i) financial liabilities measured at fair value through profit or loss: this classification applies to derivative financial instruments, financial liabilities held for trading (such as short positions in securities), contingent consideration recognized by the acquirer in a business combination, and other financial liabilities designated as such upon initial recognition; and (ii) financial guarantee contracts and loan commitments.

*Derecognition of financial liabilities*

Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged or terminated or expires).

*Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts, and there is an intention to either settle on a net basis, or to realize the asset and settle the liability simultaneously. The right of set-off under consideration (a) must not be contingent on possible future events and (b) must be legally enforceable in the following circumstances: (i) in the ordinary course of business, (ii) in the event of default (event of default) and (iii) in the event of insolvency or bankruptcy.

*Inventories*

Inventories are recorded at the lower of cost and net realizable value. When inventories are released for production and other disposals, they are valued using the weighted-average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

*Cash and cash equivalents*

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original contractual maturities of three months or less. Cash and cash equivalents are carried at amortized cost because (i) they are held to collect contractual cash flows and these cash flows represent solely payments of principal and interest and (ii) they are not designated as at fair value through profit or loss. Conditions imposed solely by law do not affect the results of the cash flow assessment for meeting the definition of solely payments of principal and interest (SPPI test) unless they are included in the terms of the contract and would apply even if the law subsequently changed. Restricted cash balances are excluded from cash and cash equivalents for the purposes of the statement of cash flows. Restricted cash balances restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date are included in other non-current assets.

*Accounts receivable*

Trade and other receivables are recognized initially at fair value and subsequently at amortized cost calculated using the effective interest method.

In order to identify doubtful receivables, trade receivables are analyzed (requirement for completeness and prudence).

An estimate of the allowance for doubtful debts is made once at the end of each reporting year.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

The basis for the calculation is the submitted statements of debtors indicating the amount of debt and its differentiation by terms of occurrence at the end of the year:

in case of debt maturity up to 3 months	10% of the total debt;
in case of debt maturity from 3 to 6 months	25% of the total debt;
in case of debt maturity from 6 to 9 months	50% of the total debt;
in case of debt maturity from 9 to 12 months	75% of the total debt;
in case of debt maturity over 12 months	100% of the total debt.

The amount of the provision in the reporting period should be taken into account in evaluating the balances of accounts receivable in order to identify the need to either restore the provision or additionally accrue it. Full provision should be made if necessary for receivables for which no provision has previously been accrued.

#### *Authorized capital*

Assets contributed to share capital are recognized at fair value at the time of contribution. The amount of the excess of the fair value of the assets received over the nominal value of the contribution to the share capital after its legal registration is charged directly to equity.

#### *Dividends*

Dividends are recorded as a liability and deducted from equity in the period in which they are declared and approved. Dividends declared after the reporting date and before the financial statements are authorized for issue are disclosed in the note "Events after the reporting period".

#### *Value added tax*

Value added tax (VAT) related to sales is payable to the tax authorities when goods are shipped or services are rendered. Input VAT is reclaimable against output VAT upon receipt of a tax invoice from a supplier. The tax legislation permits the settlement of VAT on a net basis. Accordingly, VAT related to sales and purchases unsettled at the reporting date is stated in the statement of financial position on a net basis.

#### *Loans and borrowings*

Borrowings are initially recorded at fair value, net of transaction costs incurred, and subsequently at amortized cost using the effective interest method.

#### *Capitalisation of borrowing costs*

The commencement date for capitalization is when (a) the Company incurs expenditures in connection with the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale. Capitalization of borrowing costs continues up to the date when substantially all of the activities necessary to prepare the asset for its intended use or sale are complete.

#### *Accounts payable*

Trade payables are accrued when the counterparty performed its obligations under the contract and are carried at amortized cost using the effective interest method.

#### *Revenue recognition*

Revenue is income arising in the ordinary course of the Company's business. Revenue is recognized at the transaction price. The transaction price represents the consideration to which the Company expects to be entitled in exchange for transferring control of the promised goods or services to the purchaser, excluding amounts received on behalf of third parties. Revenues are recognized net of VAT.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

*Liabilities for employee benefits*

(i) *Wages, salaries and related contributions*

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by the Company's employees. The Company does not incur any expenses in connection with pension payments to its employees. In accordance with the legislation of the Republic of Kazakhstan, the Company withholds pension contributions from employees' salaries and transfers them into a unified accumulative pension fund. Upon retirement of employees, all pension payments are made by the unified accumulative pension fund.

*Financial income and expenses*

Finance income includes interest income on funds invested and foreign currency gains. Interest income is recognized in profit or loss as it accrues, using the effective interest method.

Finance costs include interest expense on borrowings, amounts reflecting the amortization of discount on provisions and foreign currency losses. All borrowing costs are recognized in profit or loss using the effective interest method except for borrowing costs related to qualifying assets which are recognized as part of the cost of such assets.

Income and expenses arising from changes in foreign currency exchange rates are recognized on a net basis.

*Amendments to the financial statements after issuance*

These financial statements may be amended after they are issued only with the approval of the Company's management, which approved these financial statements for issue.

**4. REVENUE**

	2020	2019
Income from sales of products and services	480 211	-
Income from services provided	338 863	76 744
Income from lease of property	11 607	-
	<b>830 681</b>	<b>76 744</b>

**5. COST OF GOODS SOLD**

	2020	2019
Project and estimate documentation	381 081	-
Wages of individuals under contract	30 078	11 096
Insurance	24 798	-
Materials	17 759	82
Topographic, engineering-geological, geodesic works	1 609	1 611
Provision for unused vacations	1 369	47
Construction and installation works	-	467
Design and estimate documentation	939	-
	<b>457 633</b>	<b>13 303</b>

**6. ADMINISTRATIVE EXPENSES**

	2020	2019
Wage expenses	30 225	18 385
Lease	4 371	-
Depreciation and amortization	3 366	1 527
Taxes and contributions	1 195	17
Provision for vacations	2 012	803
Bank services	1 498	210
Presentation expenses	1 350	186





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

Prequalification, Tender	1 212	1 295
Expenses for maintenance of official vehicles	1 179	-
Professional / Consulting services	1 554	1 388
Materials	696	255
Travel expenses	579	980
Communication expenses	382	138
Insurance	278	469
Communication services	64	70
Utilities	41	-
Penalty, fines to the budget	19	2 904
Consulting services during the supplier pre-qualification process	-	-
Other	887	2 257
	<b>50 908</b>	<b>30 884</b>

**7. INCOME TAX SAVINGS (EXPENSES)**

The income tax rate is 20% in 2020 and 2019:

	2020	2019
Current income tax expense	(60 958)	(7 991)
Deferred tax (expense) / savings	921	1 897
<b>Income tax (expense) / savings</b>	<b>(60 037)</b>	<b>(6 094)</b>

Reconciliation of income tax on pretax income to theoretical income tax on pretax income at a tax rate of 20% for the year ended December 31 is as follows:

	2020	2019
Profit (loss) before income tax expense	<b>248 668</b>	<b>19 416</b>
Tax rate	20%	20%
<b>Conditional savings (expenses) on income tax</b>	<b>(49 734)</b>	<b>(3 883)</b>
Tax effect of savings/(expenses) not deductible and income not deductible	(10 303)	(2 211)
<b>Income tax (expense)/savings</b>	<b>(60 037)</b>	<b>(6 094)</b>

Deferred tax (liability)/asset:

	December 31, 2020	December 31, 2019
Property, plant and equipment	(4 967)	(190)
Provision for unused vacations	846	170
Provision for accounts receivable	5 142	164
Reserve for cash	54	6
Provision for advances paid	1 630	1 630
Taxes	20	24
Other assets	93	93
<b>Deferred tax (liability)/asset</b>	<b>2 818</b>	<b>1 897</b>





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

Change in net deferred tax (liability)/asset on the statement of profit or loss and other comprehensive income:

	2020	2019
Deferred tax (liability)/asset at the beginning of the year	1 897	-
Deferred tax (liability)/asset at the end of the year	2 818	1 897
Change in tax (liability)/asset	822	1897

**8. PROPERTY, PLANT AND EQUIPMENT**

	Asset in the right to use	Land	Machinery and equipment	Vehicles	Other PPE	Total
<b>Initial cost</b>						
On January 1, 2019	-	-	1 827	18 624	554	21 006
Receipts	-	500	-	-	-	500
Disposals	-	(500)	-	(18 624)	-	(19 124)
On January 1, 2020	-	-	1 827	-	554	2 382
Receipts	11 997	-	4 237	55 500	1 059	72 793
Disposals	-	-	(1 703)	-	(36)	(1 739)
On December 31, 2020	11 997	-	4 361	55 500	1 578	73 436
<b>Accumulated depreciation</b>						
On January 1, 2019	-	-	(764)	(2 690)	(99)	(3 553)
Depreciation	-	-	(568)	(816)	(105)	(1 489)
Disposals	-	-	-	3 506	-	3 506
On January 1, 2020	-	-	(1 332)	-	(204)	(1 537)
Depreciation	-	-	(876)	(2 150)	(303)	(3 329)
Disposals	-	-	1 333	-	35	1 369
On December 31, 2020	-	-	(875)	(2 150)	(472)	(3 497)
<b>Residual value on December 31, 2019</b>	-	-	495	-	350	845
<b>Residual value on December 31, 2020</b>	11 997	-	3 486	53 350	1 106	69 939

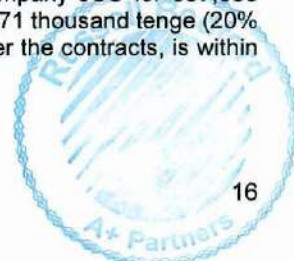
**9. INVENTORIES**

	December 31, 2020	December 31, 2019
Products	9 544	107
Raw materials	37	37
	<b>9 581</b>	<b>144</b>

**10. TRADE AND OTHER RECEIVABLES**

	December 31, 2020	December 31, 2019
Trade receivables	825 356	72 289
Less: provision for impairment of accounts receivable	(26 526)	(818)
	<b>798 830</b>	<b>71 471</b>

The main buyers of the Company are KEGOC Kazakhstan Electric Power Management Company JSC for 537,836 thousand tenge (65% share in the structure of the item), Alatau Zharyk Company JSC for 165,971 thousand tenge (20% share), SGD-Holding LLP for 121,044 thousand tenge (15% share). The term of payment under the contracts, is within 30 days.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**
*(in thousands of Kazakhstani tenge)*

The Company applies the simplified approach under IFRS 9 to measure expected credit losses, which uses a lifetime provision for expected credit losses for all trade and other receivables.

**11. ADVANCES PAID**

	December 31, 2020	December 31, 2019
Advances paid to third parties	783 425	8 773
Less: provision for impairment of advances paid	(16 302)	(8 150)
	<b>767 123</b>	<b>623</b>

**12. OTHER CURRENT ASSETS**

	December 31, 2020	December 31, 2019
Guarantee liabilities	119 457	948
Short-term debts on loans granted to employees	811	466
Short-term debts of accountable persons	273	-
Future expenses	1 451	2 541
Provision for depreciation of other assets	(930)	(465)
	<b>121 062</b>	<b>3 490</b>

**13. CASH AND CASH EQUIVALENTS**

	December 31, 2020	December 31, 2019
Cash in current bank accounts	12 276	987
Cash on hand	362	-
Estimated provision for cash impairment losses	(272)	(31)
	<b>12 366</b>	<b>956</b>

Cash in bank accounts is presented with the following banks on December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
ForteBank JSC	12 170	-
SB Sberbank of Russia JSC	85	-
Halyk Bank of Kazakhstan JSC	21	1
Bank CenterCredit JSC	-	986
	<b>12 276</b>	<b>987</b>

**14. AUTHORIZED CAPITAL**

The fully paid authorized capital of the Company on December 31, 2020 and 2019 is 110 thousand tenge.

**15. LOANS**

	December 31, 2020	December 31, 2019
Loans received	1 047 852	-
Interest payable	24 924	-
	<b>1 072 776</b>	<b>-</b>





**PROEKT-ENS LLC****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020***(in thousands of Kazakhstani tenge)**The Company has the following loans:*

In 2020, the Company entered into the agreement with Intersroy NS Trans LLP on provision of temporary interest-free financial aid numbered 1 dated August 4, 2020 in the amount of 200,000 thousand tenge on a step-by-step basis. In 2020, the Company received a temporary interest-free financial aid in the amount of 156 000 thousand tenge. The term of granting the loan until July 31, 2021. The loan payable to Intersroy NS Trans LLP amounted to 156,000 thousand tenge on December 31, 2020.

Also in 2020, the Company entered into loan agreement number 1 dated June 2, 2020 with ZENGVO GENERAL TRADING LLC in the amount of 8,000 thousand US dollars on a staggered basis. In 2020, the Company received a loan of 2,120 thousand US dollars. The interest rate under the loan agreement is 8% per annum. The term of the loan is up to June 1, 2021. The outstanding debt to ZENGVO GENERAL TRADING LLC on December 31, 2020, including accrued interest, was 2,179 thousand US dollars, including accrued interest of 59 thousand US dollars. The equivalent in tenge was 916,776 thousand tenge, including accrued interest - 24,924 thousand tenge.

**16. TRADE AND OTHER ACCOUNTS PAYABLE**

	December 31, 2020	December 31, 2019
Trade accounts payable	334 542	3 804
Other accounts payable	5 729	-
	<b>340 271</b>	<b>3 804</b>

The main suppliers of the Company are, Luch Construction Company LLP in the amount of 404,306 thousand tenge, which accounts for 45% of the total amount of the item. Saryarqa-MS LLP in the amount of 149,668 thousand tenge, with a share of 16%, and KEGOC Kazakhstan Electric Power Management Company JSC in the amount of 110,793 thousand tenge, with a share of 12%.

The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 22.

**17. ADVANCES RECEIVED**

	December 31, 2020	December 31, 2019
Advances received from third parties	47 500	3 499
	<b>47 500</b>	<b>3 499</b>

**18. CURRENT TAX LIABILITIES**

	December 31, 2020	December 31, 2019
Value added tax	40 259	8 335
Individual income tax	2 214	764
Social tax	102	120
	<b>42 575</b>	<b>9 219</b>

**19. OTHER CURRENT LIABILITIES**

	December 31, 2020	December 31, 2019
Debts to accountable persons	12 702	5 128
Pension payment liabilities	1 043	668
Short-term lease liabilities	797	-
Social security liabilities	131	50
Liabilities for social insurance contributions	107	-
Liabilities for Social Health Insurance Contributions	88	22
	<b>14 868</b>	<b>5 868</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**  
(in thousands of Kazakhstani tenge)

---

**20. CONTRACTUAL AND CONTINGENT LIABILITIES**

---

*Operational environment*

Emerging markets such as Kazakhstan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in Kazakhstan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

In March 2020, global oil prices fell sharply by more than 40%, resulting in an immediate weakening of the Kazakhstan tenge against major currencies.

In addition, in early 2020 a new coronavirus (COVID-19) began to spread very rapidly around the world, leading the World Health Organization (WHO) to declare the beginning of a pandemic in March 2020. The measures used by many countries to contain the spread of COVID-19 are causing significant operational difficulties for many companies and have a significant impact on global financial markets. Because the situation is evolving rapidly, COVID-19 can significantly impact many companies in a variety of sectors, including, but not limited to, disruption of operations through production stoppages or closures, supply chain disruptions, personnel quarantine, reduced demand, and difficulties in obtaining financing.

The impact of changes in economic conditions on the Company's future results of operations and financial condition could be significant.

*Taxation*

Kazakhstan's tax laws and regulations are subject to ongoing changes and varying interpretations. There are frequent cases of differences of opinion between local, regional and republican tax authorities in relation to the interpretation of IFRS for accounting for income, expenses, and other elements of financial statements. The current system of fines and penalties for detected offenses based on the laws in force in Kazakhstan is very severe. Penalties include fines, as a rule, in the amount of 50% of the amount of additionally assessed taxes, and a penalty charged at the refinancing rate established by the National Bank of the Republic of Kazakhstan, multiplied by 2,5. As a result, the amount of penalties and interest may be several times higher than the amount of taxes payable. Financial periods remain open for review by the tax authorities for 5 calendar years proceeding the year in which the audit is conducted. Tax audits may cover longer periods under certain circumstances. The potential amount of taxes, penalties and interest, if any, may exceed the amount expensed to date and accrued on December 31, 2019, due to the uncertainty inherent in the Kazakhstan tax system.

Management believes that its interpretation of applicable law is appropriate and it is probable that the Company's tax position will be confirmed on December 31, 2019.

*Changes in tax legislation*

The President of the Republic of Kazakhstan signed the Law on Amendments and Additions to the Tax Code on December 25, 2017, which came into effect on January 1, 2018. These changes did not have a material impact on the Company.

*Legal issues*

The Company has not been the subject of any litigation or court decisions.

**21. FINANCIAL INSTRUMENTS, OBJECTIVES AND POLICIES FOR FINANCIAL RISK MANAGEMENT**

The Company's risk management function is carried out in respect of financial, operational and legal risks. Financial risks include credit risk, liquidity risk and market risk (currency risk, interest rate risk and other price risk). The Company's risk management policies are designed to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to determine whether changes in market conditions and in the Company's operations are required. The Company establishes training and management standards and procedures to create a structured and effective control system in which all employees understand their roles and responsibilities. Operational and legal risk management must ensure proper functioning of internal policies and procedures to minimize these risks.

This note presents information about the Company's exposure to each of these financial risks, the Company's objectives, policies and procedures for measuring and managing those risks, and the Company's management of capital. Additional quantitative information is disclosed throughout these financial statements.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**
*(in thousands of Kazakhstani tenge)*

The Director is responsible for setting the Company's objectives and approving the Company's risk management policy, and is also responsible for implementing the risk management policy and arranging for an effective risk management system.

**Market risk**

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market prices. The Company manages market risk through regular assessment of potential losses that could arise from adverse changes in market conditions.

**Credit risk**

Credit risk is the risk of financial loss to the Company if customers or counterparties to a financial instrument fail to meet their contractual obligations, and arises principally from the Company's receivables from customers and balances with banks.

The maximum exposure to credit risk is the carrying value of third-party receivables and cash and cash equivalents as disclosed in the Notes to the financial statements.

The Company's risk is related to the possibility of counterparty default, with a maximum exposure equal to the carrying value of these instruments with respect to credit risk related to cash and cash equivalents and accounts receivable.

The ratings of the banks on which the Company has placed its cash and cash equivalents are as follows:

	Location	Rating	Balance	
			December 31, 2020	December 31, 2019
ForteBank JSC	Казахстан	BBB-/stable/A-3, kzAAA	12 170	-
SB Sberbank of Russia JSC	Казахстан	BBB-/stable/A-3, kzAAA	85	-
Halyk Bank of Kazakhstan JSC	Казахстан	BBB-/stable/A-3, kzAAA	21	1
Bank CenterCredit JSC	Казахстан	BBB-/stable/A-3, kzAAA	-	986
			<b>12 276</b>	<b>987</b>

Cash is placed in financial institutions that have minimal risk of default at the time of placement of funds.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise. The Company's financial liabilities, payable on demand, have an average maturity of 3-12 months, for trade payables to certain suppliers.

	3-12 months	1-5 years	Over 5 years	Total
<b>December 31, 2020</b>				
Loans	1 072 776	-	-	1 072 776
Trade and other payables	339 171	500	600	340 271
	<b>1 411 947</b>	<b>500</b>	<b>600</b>	<b>1 413 047</b>

	3-12 months	1-5 years	Over 5 years	Total
<b>December 31, 2019</b>				
Trade and other payables	887	2 917	-	3 804
	<b>887</b>	<b>2 917</b>	<b>-</b>	<b>3 804</b>

**Currency risk**




**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**
*(in thousands of Kazakhstani tenge)*

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Changes in the US dollar and ruble exchange rates may affect the Company's statement of financial position as a result of the fact that some of the Company's assets and liabilities are denominated in foreign currencies.

The following table presents a sensitivity analysis of the Company's pretax earnings for the years ended December 31, 2020 and 2019 (due to possible changes in the fair value of monetary assets and liabilities) to possible changes in the US dollar exchange rate, with all other variables held constant.

	2020		2019	
	Increase/decrease in the US dollar exchange rate	Impact on profit before taxation	Increase/decrease in the US dollar exchange rate	Impact on profit before taxation
US dollar	10%	(209)	10%	-
	-10%	209	-10%	-

**Fair value**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The best evidence of fair value is the quoted price in an active market for a financial instrument. The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. The Republic of Kazakhstan continues to display some characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distorted conditions of transactions and therefore not represent fair values of financial instruments. Management has used all available information in estimating the fair value of financial instruments.

The fair values of cash and cash equivalents, accounts receivable and accounts payable approximate their carrying amounts due to the short-term nature of financial instruments.

**Capital Management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company may adjust the amount of dividends paid to participants, return capital to participants or sell assets to reduce debt to maintain or adjust the capital structure.

	December 31, 2020	December 31, 2019
Debt	1 533 659	31 080
Less cash and cash equivalents	12 366	956
<b>Net debt</b>	<b>1 521 293</b>	<b>30 124</b>
Equity	237 217	48 650
<b>Net debt to equity ratio</b>	<b>6,41</b>	<b>0,62</b>

**22. RELATED PARTY DISCLOSURES**

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

There have been no transactions with related parties.

**Remuneration for key management personnel**

Key management personnel consist of 3 persons on December 31, 2020 (2019: 2 persons). Total remuneration of key management personnel for the year ended December 31, 2020 consists of wages and salaries and other short-term benefits included in administrative expenses in the statement of profit or loss and other comprehensive income in the amount of 1 152 thousand tenge (2019: 1 057 thousand tenge).





PROEKT-ENS LLC

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

*(in thousands of Kazakhstani tenge)*

**23. EVENTS AFTER THE REPORTING DATE**

---

There were no material events after the reporting date on the date of approval of the financial statements.

