



KAZATOMPROM

NATIONAL ATOMIC COMPANY

2021 Half-Year Results Conference Call

26 August 2021

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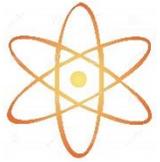
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Nuclear Power in a Green Economy

Nuclear is key to a greener international strategy



Nuclear offers stand-out environmental and economic benefits:



✓ Part of the solution to climate change and cleaner air, with no direct carbon emissions and 24-hour availability



✓ Low operating cost



✓ High energy density, safely managed waste and spent fuel



✓ Stable, baseload power to underpin renewable generation



✓ Thousands of cumulative reactor years of safe power production

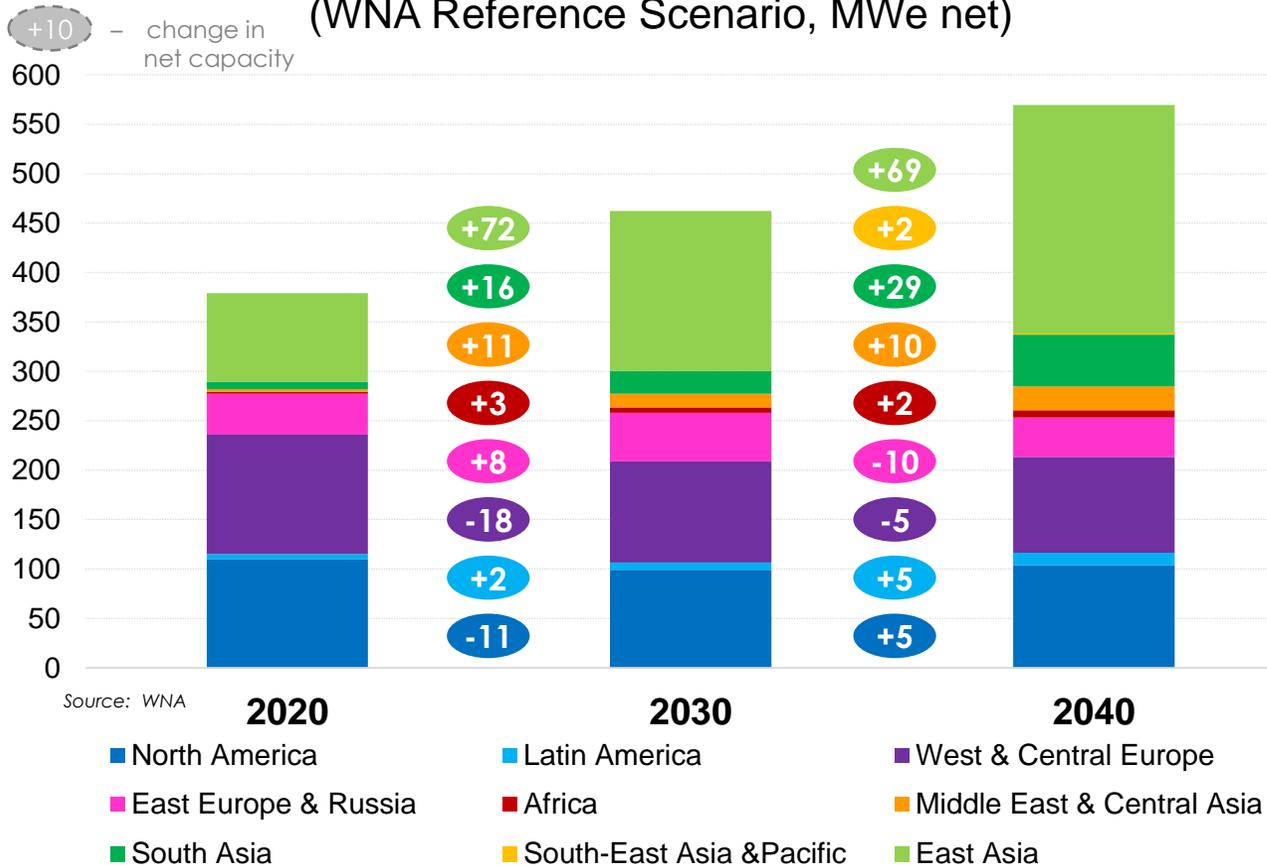


Strong Long-Term Fundamentals

Nuclear electricity generation growth translates to uranium demand

2020-2040 Nuclear generating capacities

(WNA Reference Scenario, MWe net)



- Nuclear at ~10% of installed capacity, forecast to retain market share and grow ~1% per year
- China planning ~40% expansion compared to 2020 capacity (100 GW by 2030)
- United States (~15% of global emissions), rejoined Paris Agreement
- EU lawmakers considering nuclear as green energy

Kazatomprom's ESG Landscape



Environmental and Social

- KAP'S ISR uranium extraction processes are the most environmentally friendly uranium mining method
- Continued implementation of the Board-approved Environmental and Social Action Plan (ESAP)
- KAP's efforts to prevent COVID-19 and protect the health of employees and local communities has been successful in maintaining continuity of operations in 1H2021

Governance

- Consistent integration of sustainable development principles into the corporate governance system
- New Board composition, half of which are INEDs, with stronger gender diversity
- The Company's governance systems comply with international standards and operate under strict oversight



New Corporate Sustainable Development Policy



New Green Finance Policy



Market Context

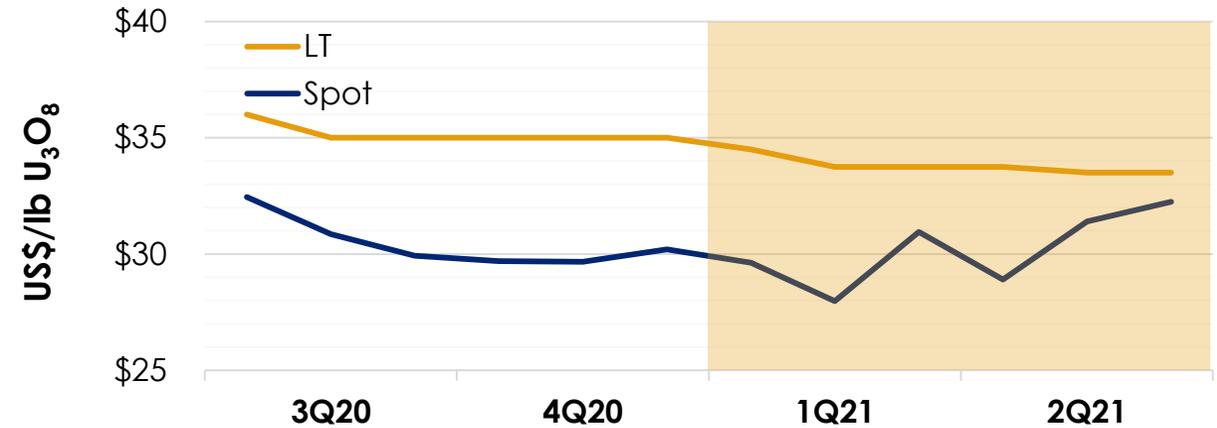
Uranium market developments

- COVID-19 reshaped primary supply picture
- Accelerated global inventory drawdown
- Supply reductions by major producers
- New financial players capable of introducing better price transparency

Kazatomprom in 1H2021

- Extended 20% production cut (vs. Subsoil Use Agreements) through 2023
- Yellowcake uranium purchased, exercising their full \$100M option + \$64.5M additional
- Due to supply chain challenges, mine development slightly behind schedule

Spot and LT Month-end U₃O₈ Price



Spot and LT Contract Volumes



Source: UxC, TradeTech

COVID-19 Response



First vaccine dose received by **15,758 (81%)** employees, with **69%** now **fully vaccinated** with two doses*

*As of 23 August, 2021

Kazakhstan lockdown restrictions

- Kazakh government took early and decisive measures in all regions
- Local restrictions returned in 2Q2021 due to rising “Delta” variant

Kazatomprom’s preventive measures

- Internal cross-functional committee to create/monitor action plans
- Rotating remote work schedules, vulnerable staff working remotely
- Business travel, meetings and direct contact restrictions in place

Operating during the pandemic

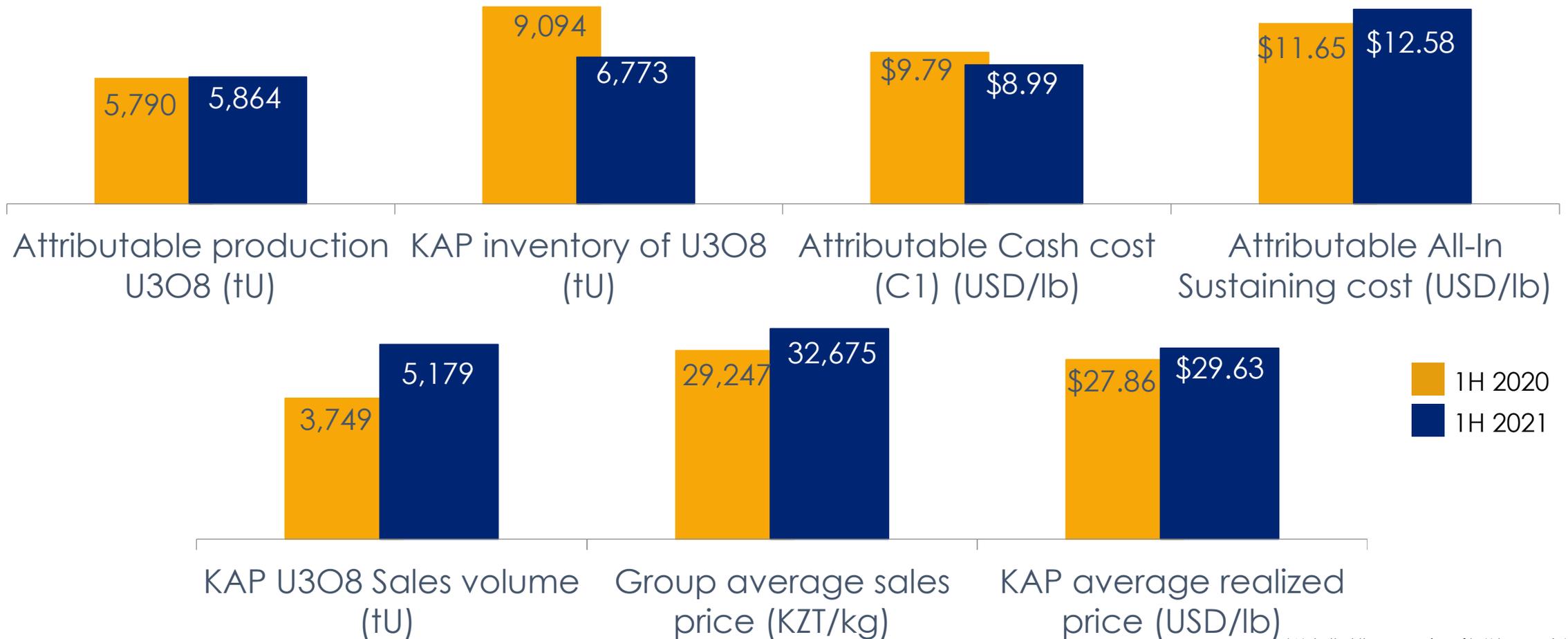
- Daily monitoring of health conditions
- Social distancing, thermometry, disinfection tunnels in place
- Rigorous site staff outbreak response training
- COVID testing of incoming and outgoing shifts

Kazatomprom in 1H2021

- Vaccination campaign for employees is underway
- KAP office-based vaccination program for employees and families

1H2021 Results

Production and sales metrics

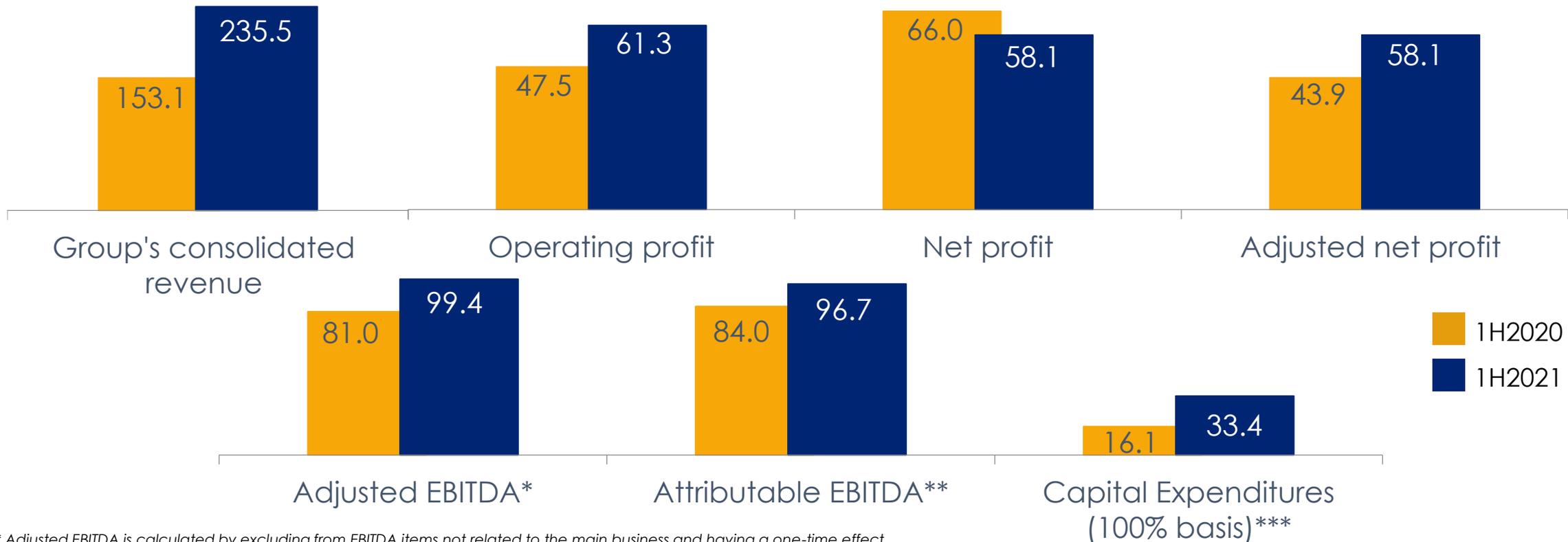


* Note that the conversion of kgU to pounds U₃O₈ is 2.5998.

1H2021 Results

Key Financial Metrics

(All values in billion KZT)



* Adjusted EBITDA is calculated by excluding from EBITDA items not related to the main business and having a one-time effect.

** Adjusted Attributable EBITDA is calculated as an adjusted EBITDA less the share of the results in the net profit in JVs and Associates, plus the share of adjusted EBITDA of JVs and Associates engaged in the uranium segment (except Budenovskoye JV LLP's EBITDA due to minor effect it has during each reporting period) less non-controlling share of adjusted EBITDA of Appak LLP, Inkai JV LLP, Baiken-U LLP and Khorasan-U JV LLP less any changes in the unrealized gain in the Group.

*** Excludes liquidation funds and closure costs and includes expansion investments

Year-to-date Highlights

Continued commitment to strong ESG



- Environmental protection record intact
- Continuously working to improve safety
- Half of BoD are INEDs, strong gender diversity

2021 dividend payment 52% higher than in 2020



- Paid 2021 dividend of KZT 150 billion (nearly US\$353M at time of payment)
- Dividend calculated based on updated policy formula

Completed sale of Ortalyk LLP to CGNPC subsidiary



- Sale of 49% share in Ortalyk for US\$435M
- Fuel fabrication plant to deliver first Kazakh-produced fuel bundles to China in 2022

Value-over-volume strategy for production, market-centric approach to sales



- Extension of 20% production cut against subsoil use agreements through 2023
- ~ 5,000tU removed from future global supply

2021 Guidance

(Exchange Rate Assumption KZT/USD = 430)

		2020 Actual	2021 Guidance
Production volume (100% basis) ¹	tU	19,477	22,500 – 22,800 ²
Production volume (attributable basis) ^{3,4}	tU	10,736	12,100 – 12,400 ²
Group sales volume ⁵	tU	16,432	15,500 – 16,000
KAP sales volume (incl. in Group) ⁶	tU	14,126	13,500 – 14,000
Revenue (consolidated) ⁷	KZT billions	587.5	620 – 640
Revenue from U ₃ O ₈ sales (incl. in consolidated) ⁷	KZT billions	521.6	540 – 560
C1 cash cost (attributable basis) ⁴	\$US/lb*	\$8.67	\$9.00 – \$10.00
All-in sustaining cash cost (attributable C1 + capital) ⁴	\$US/lb*	\$11.72	\$13.00 – \$14.00
Total capital expenditures (100% basis) ⁸	KZT billions	61.0	90 – 100

¹ Production volume (100% basis): Amounts represent the entirety of production of an entity in which the Company has an interest; it disregards that some portion of production may be attributable to the Group's JV partners or other third-party shareholders.

² The duration and full impact of the COVID-19 pandemic is not yet known. Annual production volumes could therefore vary from our expectations.

³ Production volume (attributable basis): Amounts represent the portion of production of an entity in which the Company has an interest, corresponding only to the size of such interest; it excludes the portion attributable to the JV partners or other third-party shareholders, except for JV "Inkai" LLP, where the annual share of production is determined as per Implementation Agreement as disclosed in IPO Prospectus. Actual drummed production volumes remain subject to converter adjustments and adjustments for in-process material.

⁴ Includes the change in attributable share of production & all-in sustaining cash cost related to the sale of a 49% share in "Ortalyk" LLP to CGNM UK Limited (a CGNPC subsidiary).

⁵ Group sales volume: includes Kazatomprom's sales and those of its consolidated subsidiaries (companies that KAP controls by having (i) the power to direct their relevant activities that significantly affect their returns, (ii) exposure, or rights, to variable returns from its involvement with these entities, and (iii) the ability to use its power over these entities to affect the amount of the Group's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether KAP has power to control another entity)

⁶ KAP sales volume: includes only the total external sales of KAP HQ and THK. Intercompany transactions between KAP HQ and THK are not included.

⁷ Revenue expectations are based on uranium prices taken at a single point in time from third-party sources. The prices used do not reflect any internal estimate from Kazatomprom, and 2021 revenue could be materially impacted by how actual uranium prices and exchange rates vary from the third-party estimates.

⁸ Total capital expenditures (100% basis): includes only capital expenditures of the mining entities.

* Note that the conversion of kgU to pounds U₃O₈ is 2.5998.



OUR STRATEGY...UNCHANGED



➤ Focussing on uranium mining as our core business



➤ Optimise production & sales volumes based on market conditions



➤ Create value by enhancing marketing & sales capabilities



➤ Implement best-practice business processes



➤ Develop a corporate culture suitable for an industry leader



Q&A Session with Management



Galymzhan Pirmatov,
Chief Executive Officer



Kamila Syzdykova,
Chief Financial Officer



Askar Batyrbayev,
Chief Commercial Officer

