

**"NAC "KAZATOMPROM" JSC**

**STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF: CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THREE AND SIX MONTHS ENDED 30 JUNE 2019 (UNAUDITED), AND OPERATING AND FINANCIAL REVIEW SIX MONTHS ENDED 30 JUNE 2019**

The following statement is made with a view to distinguish the respective responsibilities of management and those of the independent auditor's in relation to the consolidated interim financial statements of JSC National Atomic Company Kazatomprom ("Company") and its subsidiaries (hereinafter the "Group") for three and six months ended 30 June 2019 and operating and financial review six months ended 2019.

Management of the Group is responsible for the preparation of consolidated interim financial statements of the Group for three and six months ended 30 June 2019 and operating and financial review six months ended 30 June 2019, that presents fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2019, and the consolidated results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS").

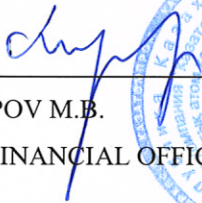
In preparing the consolidated interim financial statements and operating and financial review, management is responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, as well as other events and conditions on the Group's consolidated financial position and financial performance; and
- making an assessment of the Group's ability to continue as a going concern.


Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the consolidated financial statements of the Group comply with IFRS;
- maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Kazakhstan;
- taking all reasonably possible measures to safeguard the assets of the Group; and
- preventing and detecting fraud and other irregularities.

The consolidated interim financial statements for three and six months ended 30 June 2019, and operating and financial review six months ended 30 June 2019 were authorized for issue by management of the Group on 26 August 2019

  
YUSSUPOV M.B.  
CHIEF FINANCIAL OFFICER



  
KOZHA-AKHMET D.A.  
FINANCIAL CONTROLLER

# **JSC National Atomic Company Kazatomprom**

**Condensed interim consolidated financial statements  
(unaudited)**

**for three and six months ended 30 June 2019**

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**REPORT ON REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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## ***Report on review of condensed interim consolidated financial statements***

To the Shareholders, Board of Directors and Management of JSC National Atomic Company Kazatomprom:

### ***Introduction***

We have reviewed the accompanying condensed interim consolidated statement of financial position of JSC National Atomic Company Kazatomprom and its subsidiaries (together – the “Group”) as at 30 June 2019 and the related condensed interim consolidated statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, condensed interim consolidated statements of changes in equity and cash flows for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, “Interim Financial Reporting”.

### ***Other matter***

The comparative information for the condensed interim consolidated statements of profit or loss and other comprehensive income for the three-month period ended 30 June 2018 has not been audited or reviewed.

PricewaterhouseCoopers LLP

26 August 2019  
Almaty, Kazakhstan

**JSC National Atomic Company Kazatomprom**  
**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

in millions of Kazakhstani Tenge	Note	For the three months ended		For the six months ended	
		30 June 2019 (unaudited)	30 June 2018 (restated, unaudited)	30 June 2019 (unaudited)	30 June 2018 (restated, unaudited)
Revenue	8	119,332	86,071	176,555	145,029
Cost of sales	9	(90,478)	(67,741)	(129,596)	(113,106)
<b>Gross profit</b>		<b>28,854</b>	<b>18,330</b>	<b>46,959</b>	<b>31,923</b>
Distribution expenses	10	(2,654)	(1,410)	(4,108)	(3,361)
General and administrative expenses	11	(9,528)	(6,690)	(15,757)	(12,573)
Impairment losses/(reversal) on financial assets	12	(1)	314	(329)	53
Impairment losses on non-financial assets	12	(887)	(4,732)	(969)	(3,539)
Net foreign exchange gain/(loss)		(85)	5,313	(467)	1,296
Net result from business combinations	35	-	-	54,649	313,517
Other income	13	22,847	70	23,784	79
Other expenses	14	(1,218)	(527)	(1,886)	(1,187)
Finance income	15	1,047	1,781	2,795	2,638
Finance costs	15	(2,765)	(2,233)	(6,220)	(5,088)
Share of results of associates	21	4,807	6,374	9,404	6,948
Share of results of joint ventures	22	2,348	(3,505)	4,599	(1,905)
<b>Profit before tax</b>		<b>42,765</b>	<b>13,085</b>	<b>112,454</b>	<b>328,801</b>
Income tax expense	16	(8,223)	(4,444)	(8,498)	(3,513)
<b>Profit from continuing operations</b>		<b>34,542</b>	<b>8,641</b>	<b>103,956</b>	<b>325,288</b>
Profit from discontinued operation		-	(275)	-	1,103
<b>PROFIT FOR THE PERIOD</b>		<b>34,542</b>	<b>8,366</b>	<b>103,956</b>	<b>326,391</b>
<b>Other comprehensive income</b>					
<i>Items that may be subsequently reclassified to profit or loss:</i>					
Exchange differences arising on translation of foreign operations		430	(847)	1,211	(22,125)
Share in other comprehensive income (loss) of equity method investments		-	-	(11)	-
<b>Other comprehensive income/(loss) for the period</b>		<b>430</b>	<b>(847)</b>	<b>1,200</b>	<b>(22,125)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>34,972</b>	<b>7,519</b>	<b>105,156</b>	<b>304,266</b>
<b>Profit for the period attributable to:</b>					
- Owners of the Company		27,206	7,602	92,906	325,591
- Non-controlling interest		7,336	764	11,050	800
<b>Profit for the period</b>		<b>34,542</b>	<b>8,366</b>	<b>103,956</b>	<b>326,391</b>
<b>Total comprehensive income for the period attributable to:</b>					
- Owners of the Company		27,651	6,755	94,115	303,462
- Non-controlling interest		7,321	764	11,041	804
<b>Total comprehensive income for the period</b>		<b>34,972</b>	<b>7,519</b>	<b>105,156</b>	<b>304,266</b>
Earnings per share, basic and diluted (rounded to Tenge)	37	105	29	358	1,255

These condensed interim consolidated financial statements were approved by management on 26 August 2019:



Yussupov M.B.  
Chief Financial Officer

Kozha-Akhmet D.A.  
Financial Controller

Kaliyeva Z.G.  
Chief Accountant

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**JSC National Atomic Company Kazatomprom**  
**Condensed Interim Consolidated Statement of Financial Position**

<i>In millions of Kazakhstani Tenge</i>	<b>Note</b>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018 (restated)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		54,162	54,099
Property, plant and equipment	17	172,851	176,389
Right-of-use assets		1,670	-
Mine development assets	18	140,549	121,076
Mineral rights	19	619,127	452,439
Exploration and evaluation assets	20	24,191	23,609
Investments in associates	21	76,800	107,434
Investments in joint ventures	22	45,608	40,442
Other investments		595	619
Accounts receivable		80	13
Deferred tax assets		13,872	7,552
Term deposits		13	13
Financial derivative asset		649	1,369
Loans to related parties	23	12,136	13,245
Other non-current assets	27	25,107	20,847
		<b>1,187,410</b>	<b>1,019,146</b>
<b>Current assets</b>			
Accounts receivable	24	47,438	94,477
Prepaid income tax		7,892	4,366
Value-added tax		24,240	29,799
Inventories	25	222,485	171,026
Term deposits		55	205
Loans to related parties	23	5,430	10,373
Cash and cash equivalents	26	60,012	128,819
Other current assets	27	21,957	18,322
		<b>389,509</b>	<b>457,387</b>
Assets of disposal groups classified as held for sale		1,595	5,578
		<b>391,104</b>	<b>462,965</b>
<b>TOTAL ASSETS</b>		<b>1,578,514</b>	<b>1,482,111</b>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.



**JSC National Atomic Company Kazatomprom**  
**Condensed Interim Consolidated Statement of Financial Position (Continued)**

<i>In millions of Kazakhstani Tenge</i>	<b>Note</b>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018 (restated)</b>
<b>EQUITY</b>			
Share capital	28	37,051	37,051
Additional paid-in capital		4,420	4,420
Reserves		1,241	21
Retained earnings		846,772	833,878
<b>Equity attributable to shareholders of the Company</b>		<b>889,484</b>	<b>875,370</b>
Non-controlling interest		251,118	169,090
<b>TOTAL EQUITY</b>		<b>1,140,602</b>	<b>1,044,460</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	29	10,733	16,270
Lease liabilities		996	350
Accounts payable	30	656	777
Provisions	31	36,575	32,885
Deferred tax liabilities		131,157	97,215
Employee benefits		954	954
Other non-current liabilities	32	9,590	5,825
		<b>190,661</b>	<b>154,276</b>
<b>Current liabilities</b>			
Borrowings	29	133,515	183,420
Lease liabilities		557	129
Provisions	31	145	187
Accounts payable	30	76,835	51,534
Other tax and compulsory payments liabilities		8,298	10,711
Employee benefits		63	147
Income tax liabilities		1,979	977
Other current liabilities	32	25,124	30,319
		<b>246,516</b>	<b>277,424</b>
Liabilities of disposal groups classified as held for sale		735	5,951
<b>TOTAL LIABILITIES</b>		<b>437,912</b>	<b>437,651</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,578,514</b>	<b>1,482,111</b>

These condensed interim consolidated financial statements were approved by management on 26 August 2019:



Yussupov M.B.  
Chief Financial Officer

  
Kozha-Akhmet D.A.  
Financial Controller

  
Kaliyeva Z.G.  
Chief Accountant

**JSC National Atomic Company Kazatomprom**  
**Condensed Interim Consolidated Statement of Cash Flows**

	For the six months ended 30 June 2019 (unaudited)	For the six months ended 30 June 2018 (unaudited)
<i>In millions of Kazakhstani Tenge</i>		
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	251,533	182,320
VAT refund	20,298	12,808
Interest received	8,023	1,006
Payments to suppliers	(126,768)	(207,003)
Payments to employees	(22,112)	(22,389)
<b>Cash flow from operations</b>	<b>130,974</b>	<b>(33,258)</b>
Income tax paid	(17,860)	(8,750)
Interest paid	(1,763)	(2,993)
<b>Cash flow from operating activities</b>	<b>111,351</b>	<b>(45,001)</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(9,787)	(9,046)
Proceeds from disposal of property, plant and equipment	8	44
Acquisition of intangible assets	(87)	(1,850)
Acquisition of mine development assets	(12,835)	(10,712)
Acquisition of exploration and evaluation assets	(8,670)	(1,003)
Placement of term deposits	(1,731)	(3,123)
Redemption of term deposits	1,704	4,847
Cash acquired from acquisition of subsidiaries and joint operations	5,563	2,921
Dividends received from associates, joint ventures and other investments	9,048	7,135
Proceeds from disposal of investments in subsidiary, net of cash of disposed subsidiary	3,745	(685)
Cash contributions to the capital of joint ventures	-	(1,301)
Other	(2,997)	(385)
<b>Cash flow from investing activities</b>	<b>(16,039)</b>	<b>(13,158)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	8,532	32,142
Repayment of borrowings	(80,680)	(67,931)
Finance lease payments	(199)	(96)
Dividends paid to the shareholders	(80,001)	(45,019)
Dividends paid to non-controlling interests	(9,139)	(1,976)
<b>Cash flow from financing activities</b>	<b>(161,487)</b>	<b>(82,880)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(66,175)</b>	<b>(141,039)</b>
Cash and cash equivalents at the beginning of the period	128,819	239,936
Effect of exchange rate fluctuations on cash and cash equivalents	(2,632)	1,645
<b>Cash and cash equivalents at the end of the period</b>	<b>60,012</b>	<b>100,542</b>

These condensed interim consolidated financial statements were approved by management on 26 August 2019:



Yussupov M.B.  
Chief Financial  
Officer

Kozha-Akhmet D.A.  
Financial Controller

Kaliyeva Z.G.  
Chief Accountant



**JSC National Atomic Company Kazatomprom**  
**Condensed Interim Consolidated Statement Of Changes In Equity**

<i>In millions of Kazakhstani Tenge</i>	Attributable to the shareholders of the Company				Total	Non- control- ling interest	Total equity
	Share capital	Reserves	Retained earnings	Additional paid-in capital			
<b>Balance at 1 January 2018</b>	<b>37,051</b>	<b>472</b>	<b>585,109</b>	<b>4,785</b>	<b>627,417</b>	<b>14,550</b>	<b>641,967</b>
Profit for the period	-	-	325,591	-	325,591	800	326,391
Foreign currency translation difference	-	(1,452)	(20,677)	-	(22,129)	4	(22,125)
<b>Total comprehensive income for the period (unaudited, restated)</b>	<b>-</b>	<b>(1,452)</b>	<b>304,914</b>	<b>-</b>	<b>303,462</b>	<b>804</b>	<b>304,266</b>
Dividends declared	-	-	(135,012)	-	(135,012)	(139)	(135,151)
Business combinations	-	-	-	-	-	76,761	76,761
<b>Balance at 30 June 2018 (unaudited, restated)</b>	<b>37,051</b>	<b>(980)</b>	<b>755,011</b>	<b>4,785</b>	<b>795,867</b>	<b>91,976</b>	<b>887,843</b>
<b>Balance at 1 January 2019</b>	<b>37,051</b>	<b>21</b>	<b>789,563</b>	<b>4,420</b>	<b>831,055</b>	<b>131,955</b>	<b>963,010</b>
Effect of restatement (Note 3)	-	-	44,315	-	44,315	37,135	81,450
<b>Adjusted at 1 January 2019</b>	<b>37,051</b>	<b>21</b>	<b>833,878</b>	<b>4,420</b>	<b>875,370</b>	<b>169,090</b>	<b>1,044,460</b>
Profit for the period	-	-	92,906	-	92,906	11,050	103,956
Foreign currency translation difference	-	1,220	-	-	1,220	(9)	1,211
Share of other comprehensive loss in equity method investments	-	-	(11)	-	(11)	-	(11)
<b>Total comprehensive income for the period (unaudited)</b>	<b>-</b>	<b>1,220</b>	<b>92,895</b>	<b>-</b>	<b>94,115</b>	<b>11,041</b>	<b>105,156</b>
Dividends declared	-	-	(80,001)	-	(80,001)	(15,385)	(95,386)
Acquisition of subsidiary	-	-	-	-	-	85,804	85,804
Disposal of non-controlling interest	-	-	-	-	-	568	568
<b>Balance at 30 June 2019 (unaudited)</b>	<b>37,051</b>	<b>1,241</b>	<b>846,772</b>	<b>4,420</b>	<b>889,484</b>	<b>251,118</b>	<b>1,140,602</b>

These condensed interim consolidated financial statements were approved by management on 26 August 2019:



Yussupov M.B.  
Chief Financial Officer

  
Kozha-Akhmet D.A.  
Financial Controller

  
Kaliyeva Z.G.  
Chief Accountant

## **1. General Information**

### ***Organisational structure and operations***

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* for the three and six months ended 30 June 2019 for JSC National Atomic Company Kazatomprom (the "Company") and its subsidiaries (hereafter collectively referred to as "the Group" or JSC NAC Kazatomprom).

The Company is a joint stock company set up in accordance with regulations of the Republic of Kazakhstan. The Company was established pursuant to the Decree of the President of the Republic of Kazakhstan on the establishment of National Atomic Company Kazatomprom No. 3593, dated 14 July 1997, and the Decree of the Government of the Republic of Kazakhstan on matters of National Atomic Company Kazatomprom No. 1148 dated 22 July 1997 as a closed joint stock company with a 100% government shareholding. Before 13 November 2018, 100% of the Company's shares were held by the National Welfare Fund Samruk-Kazyna (hereinafter the "Shareholder" or "Samruk-Kazyna" JSC).

On 13 November 2018, Samruk-Kazyna JSC offered 38,903,491 shares including global depositary receipts, or GDRs, representing 15% of the Company's share capital in a dual-listing offering on the London Stock Exchange (LSE) and the Astana International Exchange (AIX). Each GDR represents an interest in one share. The offer price was USD11.60 per GDR and Tenge 4,322.74 per common share, respectively. As of 30 June 2019, 85.08% of the Company's shares are held by Samruk-Kazyna JSC and 14.92% are on free float.

The Company's registered address is E-10 street, house 17/12, Nur-Sultan city, the Republic of Kazakhstan. The principal place of business is the Republic of Kazakhstan.

The Group's key activities are the production of uranium and sale of uranium products. The Group is among the leading uranium production companies in the world. In addition, the Group is engaged in mining of rare metals, production and sale of beryllium and tantalum products, and development of high technologies. The Group sells its products in international and domestic markets.

### ***Operating environment***

The economy of the Republic of Kazakhstan continues to display characteristics of an emerging market and is particularly sensitive to prices for oil and gas and other commodities, which constitute major parts of the country's exports. These characteristics 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 market liquidity of debt and equity securities.

Volatility of exchange rates has caused and may continue to cause negative impacts on the economy of the Republic of Kazakhstan, including decreases in liquidity and creation of difficulties in attracting international financing.

Management believes it is taking all the necessary measures to support the sustainability and growth of the Group's business in the current circumstances. The future economic situation and regulatory environment may differ from management's current expectations.

### ***Significant changes in the Group structure***

#### ***Baiken-U LLP, Kyzylkum LLP, JV Khorasan-U LLP***

In December 2018, the Group completed a transaction to acquire 40.05% of the shares of Energy Asia (BVI) Limited and a 16.02% participatory interest in the chartered capital of JV Khorasan-U LLP from Energy Asia Holdings (BVI) Limited. As a result of this transaction, the Group's ownership interest in Baiken-U LLP, Kyzylkum LLP and JV Khorasan-U LLP increased to 52.5%, 50% and 50%, respectively (Note 35). Before the transaction ownership interests were 14.45%, 33.98% and 33.98%, respectively.

As at 31 December 2018, the Group had obtained control over Baiken-U LLP through majority of the voting rights and representation in the Supervisory Board. The Group has applied fair value accounting for the acquired assets and liabilities. The Group maintained significant influence over Kyzylkum LLP and JV Khorasan-U LLP at 31 December 2018. The Group concluded that as at that date no control was obtained over JV Khorasan-U LLP pending shareholders' approval of changes in the charter of the investee that would enable the Group to exercise the majority of votes. The Group has continued to account for its interests in these entities using the equity method.

## **1. General Information (Continued)**

In the end of February 2019, the owners of JV Khorasan-U LLP approved changes to the charter documents of that entity, which gave the Group the ability to cast a majority vote at the supervisory board. As a result, the Group obtained control over JV Khorasan-U LLP from that date. The Group has applied fair value accounting to the acquired assets and liabilities in these condensed interim consolidated financial statements (Note 35) and the Group consolidates JV Khorasan-U LLP from 1 March 2019.

### *Sale of assets under Privatisation plan*

The Group plans to realise a number of its non-core assets, including entities of KazPV project: Astana Solar LLP, Kazakhstan Solar Silicon LLP and MK KazSilicon LLP. On 17 May 2019, a conditional sales contract was concluded which provides for the initial sale of 75% of the Group's shareholding in the entities of KazPV project. The Group assesses that there is a high probability that these entities will be sold by the end of 2019 and, accordingly, as at 30 June 2019, the Group presented assets and liabilities of this disposal group as held for sale.

## **2. Basis of Preparation**

These condensed interim consolidated financial statements as at and for the three and six months ended 30 June 2019 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The condensed interim consolidated financial statements are unaudited and do not include all the information and disclosures required in the annual financial statements. The Group omitted disclosures which would substantially duplicate the information contained in its audited annual consolidated financial statements for the year ended 31 December 2018 prepared in accordance with International Financial Reporting Standards (IFRS), such as accounting policies and details of accounts which have not changed significantly in amount or composition. Additionally, the Group has provided disclosures where significant events have occurred subsequent to the issuance of the Group's annual consolidated financial statements for the year ended 31 December 2018 prepared in accordance with IFRS.

Management believes that disclosures in these condensed interim consolidated financial statements provide sufficient information if these financial statements are read in conjunction with the Group's annual consolidated financial statements for the year 2018 prepared in accordance with IFRS. In the opinion of management, these condensed interim consolidated financial statements reflect all adjustments necessary to present fairly the Group's financial position, results of operations, statements of changes in equity and cash flows for the interim reporting period.

## **3. Summary of Significant Accounting Policies**

The accounting principles applied during the preparation of the condensed interim consolidated financial statements are in line with the principles applied in preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new and amended standards and other matters as set out below.

### **IFRS 16 Leases**

The Group has adopted IFRS 16 retrospectively from 1 January 2019 with certain simplifications, but has not restated comparatives for the 2018 reporting period, as permitted under the transitional provisions in the standard. The relevant reclassifications and adjustments are recognised in the opening balance sheet on 1 January 2019.

On adoption of IFRS 16, the Group recognised lease liabilities and related right-of-use assets in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 *Leases*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 10.48%.

For leases previously classified as finance leases the Group recognised the carrying amount of the leased asset and lease liability as the carrying amount of the right-of-use asset and the lease liability at the date of initial application, respectively.



### 3. Summary of Significant accounting policies (Continued)

The following table represents the reconciliation of operating lease commitments reported as of 31 December 2018 and the lease liability recognised at 1 January 2019:

*In millions of Kazakhstani Tenge*

Operating lease commitments disclosed as at 31 December 2018	567
Impact of discounting	(97)
<b>Total lease liabilities recognised as at 1 January 2019</b>	<b>470</b>

There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

<i>In millions of Kazakhstan tenge</i>	<b>30 June 2019</b>	<b>1 January 2019</b>
Intangible assets - Licenses	1,292	550
Buildings	276	354
Land	59	63
Vehicles	43	53
<b>Total right-of-use asset</b>	<b>1,670</b>	<b>1,020</b>

#### **Seasonality**

The Group's operations do not significantly depend on seasonal fluctuations.

#### **Exchange rates**

At the date of these financial statements, the exchange rate of the National Bank of the Republic of Kazakhstan was Tenge 386.34 per USD 1 compared to Tenge 380.53 per USD 1 as at 30 June 2019 (31 December 2018: Tenge 384.20 per USD 1). The average exchange rate for 6 months of 2019 was Tenge 379.31 per USD 1 (6 months of 2018: 326.49).

#### **Income tax**

Interim period income tax expense is accrued using the effective tax rate that would be applicable to expected total annual earnings.

#### **Restatement of comparative information – business combinations**

##### *Acquisition of Baiken-U LLP and increase of share in associate companies Khorasan-U LLP and Kyzylkum LLP*

In December 2018, the Group obtained control over Baiken-U LLP (Note 35). As at 31 December 2018, the Group applied provisional amounts for the acquired assets and liabilities as the assessment of fair value for the business combination was not complete at the end of the reporting period. As at 30 June 2019 an independent professional appraiser finalised fair value assessment of acquired assets and liabilities and, as a result, comparative information was restated as presented in the table below.

The Group maintained significant influence over Kyzylkum LLP and JV Khorasan-U LLP as at 31 December 2018 and Group concluded that no control was obtained over JV Khorasan-U LLP pending participants' approval of changes in the charter of the investee that would enable the Group to exercise the majority of votes. As at 31 December 2018, the Group applied provisional amounts for the acquired investments in associates as the assessment of fair value for the business combination was not complete at the end of the reporting period.

### 3. Summary of Significant accounting policies (Continued)

As at 30 June 2019 an independent professional appraiser finalised fair value assessment of acquired shares in associate companies. The Group applied fair values in these condensed interim consolidated financial statements (Note 35).

As indicated in Note 35 the Group obtained control over JV Khorasan-U LLP in February 2019.

Comparative information was restated as follows.

<i>In millions of Kazakhstani Tenge</i>	<b>31 December 2018 (as originally presented)</b>	<b>Adjustments</b>	<b>31 December 2018 (restated)</b>
Intangible assets	69,314	(15,215)	54,099
Property, plant and equipment	171,352	5,037	176,389
Mine development assets	118,302	2,774	121,076
Mineral rights	363,373	89,066	452,439
Investments in associates	88,866	18,568	107,434
Inventories	170,261	765	171,026
<b>TOTAL ASSETS</b>	<b>1,381,116</b>	<b>100,995</b>	<b>1,482,111</b>
Retained earnings	789,563	44,315	833,878
Equity attributable to shareholders of the Company	831,055	44,315	875,370
Non-controlling interest	131,955	37,135	169,090
<b>TOTAL EQUITY</b>	<b>963,010</b>	<b>81,450</b>	<b>1,044,460</b>
Deferred tax liabilities	77,670	19,545	97,215
<b>TOTAL LIABILITIES</b>	<b>418,106</b>	<b>19,545</b>	<b>437,651</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,381,116</b>	<b>100,995</b>	<b>1,482,111</b>

### 3. Summary of Significant accounting policies (Continued)

*Joint operations – JV Akbastau JSC and Karatau LLP*

In the first half 2018, in connection with the reclassification of and accounting for JV Akbastau JSC and Karatau LLP as joint operations and pending completion of fair value assessments of acquired assets and liabilities by an independent professional appraiser under IFRS 3, the acquired assets and liabilities were recorded at carrying values. Following issuance of the valuation report by the independent appraiser at the end of 2018, comparative information in this condensed interim consolidated financial statements was restated using acquisition method under IFRS 3 accordingly for the following items. The financial information in relation to restatements described above is presented below:

<i>In millions of Kazakhstani Tenge</i>	<b>For six months, ended 30 June 2018 (as originally presented)</b>	<b>Adjustments</b>	<b>For six months, ended 30 June 2018 Restated</b>
Revenue	145,029	-	145,029
Cost of sales	(106,539)	(6,567)	(113,106)
<b>Gross profit</b>	<b>38,490</b>	<b>(6,567)</b>	<b>31,923</b>
Distribution expenses	(3,361)	-	(3,361)
General and administrative expenses	(12,573)	-	(12,573)
Impairment losses	(3,486)	-	(3,486)
Net foreign exchange gain	1,296	-	1,296
Net result from business combination	96,858	216,659	313,517
Other income	110	(31)	79
Other expenses	(1,187)	-	(1,187)
Finance income	2,638	-	2,638
Finance costs	(5,088)	-	(5,088)
Share of results of associates	6,948	-	6,948
Share of results of joint ventures	(1,905)	-	(1,905)
<b>Profit before tax</b>	<b>118,740</b>	<b>210,061</b>	<b>328,801</b>
Income tax expense	(4,823)	1,310	(3,513)
<b>Profit from continuing operations</b>	<b>113,917</b>	<b>211,371</b>	<b>325,288</b>
Profit from discontinued operation	1,103	-	1,103
<b>PROFIT FOR THE PERIOD</b>	<b>115,020</b>	<b>211,371</b>	<b>326,391</b>

### 4. Critical Accounting Estimates and Judgements in Applying Accounting Policies

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those applied to the Group's annual consolidated financial statements for 2018 prepared in accordance with IFRS.

#### ***Fair value measurement for business combinations (estimates)***

In accordance with IFRS 3 Business Combinations, the Group measures the identifiable assets and the liabilities and contingent liabilities acquired through a business combination at their acquisition-date fair values. Fair values are determined on the basis of external appraisal reports (unless the accounting for the business combination is not complete at the end of the reporting period, in which case provisional values are used). The determination of fair values involves significant assumptions and judgement over future cash flows and other inputs used in the valuation.



#### **4. Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)**

The purchase price related to a business combination is allocated to the underlying acquired assets and liabilities based on their estimated fair values at the time of acquisition. The allocation process is inherently subjective and impacts the amounts assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts reported assets and liabilities and future net earnings due to the impact on future depreciation and amortisation expense and impairment tests.

Fair value measurements applied in accounting for business combinations had a significant impact on the Group's profit for the six months ended 30 June 2019. The net gain from business combinations during the first 6 months of 2019 totalled Tenge 54,649 million (2018: 313,517 million). Further information on business combinations is presented in Note 35.

##### ***Impairment of non-financial assets (estimates)***

At the end of each reporting period, management assesses whether there is any indication of impairment of individual assets (or cash-generating units). If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. An impairment loss is recognised for the amount by which carrying amount exceeds recoverable amount.

The calculation of value in use requires management to make estimates regarding future cash flows of the relevant assets (or cash-generating units). The estimation of future cash flows involves significant estimates and assumptions regarding commodity prices (uranium and other products), the level of production and sales, discount rates, growth rates, operating costs and other factors. The impairment review and calculations are based upon assumptions that are consistent with the Group's business plans. Due to its subjective nature, these estimates could differ from future actual results of operations and cash flows; any such difference may result in impairment in future periods which would decrease the carrying value of the respective asset.

As at 30 June 2019, management performed an analysis of impairment indicators of assets (cash-generating units), related to uranium production. Management performed impairment tests on those assets (cash-generating units) related to uranium production for which impairment indications were identified as of 30 June 2019.

To assess impairment, assets are grouped at the lowest levels for which there are separate identifiable cash flows that are largely independent of cash flows from other assets or groups of assets (termed as 'cash-generating units'). The Group has identified each field (contract area) as a separate cash-generating unit unless several mines are technologically connected with a single processing plant in which case the Group considers such mines as one cash-generating unit. If multiple fields are technologically associated with one processing plant (site of processing of productive solutions), the Group considers these deposits as a single cash-generating unit.

Based on the results of the impairment test, no additional impairment of the Group's assets (generating units) related to the production of uranium products was identified.

The principal assumptions used by management for calculation of value in use as at 30 June 2019 are:

- average annual uranium prices are based upon the forecast by an independent source Ux Consulting LLC, published in the second quarter of 2019 (Mid Price Midpoint) reduced by 10%:

	2019	2020	2021	2022	2023-2030
Average price of U <sub>3</sub> O <sub>8</sub> per pound (in USD)	25.16	25.50	28.55	29.93	31.12-52.34

- forecasted periods and volumes of uranium production and sales have regard to annual production volumes set in the subsurface use contracts, life of mine plans and operating and capital expenditure budgets;

#### **4. Critical Accounting Estimates and Judgements in Applying Accounting Policies (Continued)**

- operating and capital expenditures for 2019-2023 are consistent with the approved 5-year budget of the Group;
- operating and capital expenditures after 2023 will increase at the long-term inflation rate of 2.0% per annum;
- discount rate of 13.43% per annum; and
- forecast long-term exchange rate at Tenge 370 per US Dollar 1.

The Group has not recognised any significant impairment of assets related to uranium production based upon calculations of value in use as of 30 June 2019.

#### **5. Segment Information**

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The CODM has been identified as the Management Board of the Group headed by CEO.

##### **(a) Description of products and services from which each reportable segment derives its revenue**

The Group is a vertically integrated business involved in the production chain of end products – from geological exploration, mining of uranium and nuclear fuel production, to marketing and auxiliary services (transportation and logistics, procurement, research and other). The Group is organised on the basis of two main business segments:

Uranium – uranium mining and processing from the Group's mines, purchases of uranium from joint ventures and associates, external sales and marketing of produced and purchased uranium. Uranium segment includes the Group's share in net results of joint ventures and associates engaged in uranium production, as well as the Group's HQ (JSC NAC Kazatomprom);

UMP (Ulba Metallurgical Plant JSC) – production and sales of products containing beryllium, tantalum and niobium, hydrofluoric acid and by-products, processing of uranium on tolling basis for the Group's uranium entities and production and marketing of uranium powders and tablets to external market.

The revenues and expenses of some of the Group's subsidiaries, which primarily provide services to uranium segment (drilling, transportation, security, geological, etc.), are not allocated to the results of this operating segment. These Group's businesses are not included within reportable operating segments as their financial results do not meet the quantitative threshold. The results of these and other minor operations are included in "Other" caption.

##### **(b) Factors that management used to identify the reportable segments**

The Group's segments are strategic business units that focus on different customers. They are managed separately because of the differences in the production processes, the nature of products produced and required marketing and investment strategies.

Segment financial information reviewed by the CODM includes:

- information about income and expenses by business units (segments) based on IFRS figures on a quarterly basis;
- assets and liabilities as well as capital expenditures by segment on a quarterly basis;
- operating data (such as production and inventory volumes) and revenue data (such as sales volumes per type of product, average sales price) are also reviewed by the CODM on a monthly and quarterly basis.

##### **(c) Measurement of operating segment profit or loss, assets and liabilities**

The CODM evaluates performance of each segment based on gross and net profit. Segment financial information is prepared on the basis of IFRS financial information and measured in a manner consistent with that in these consolidated financial statements.

Revenues from other segments include transfers of raw materials, goods and services from one segment to another, amount is determined based on market prices for similar goods.

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**5. Segment Information (Continued)**

**(d) Information about reportable segment profit or loss, assets and liabilities**

Segment information for the reportable segments for the six months ended 30 June 2019 and 30 June 2018 is set out below:

	Uranium			UMP			Other			Eliminations			Total	
	30 June 2019	30 June 2018	30 June 2019	30 June 2019	30 June 2018	30 June 2019	30 June 2019	30 June 2018	30 June 2019	30 June 2019	30 June 2018	30 June 2019	30 June 2019	30 June 2018
<i>In millions of Kazakhstani Tenge</i>														
External revenue	144,698	112,084	15,122	17,331	15,614		16,735					176,555	145,029	
Revenues from other segments	405	1,606	1,774	1,795	21,422		24,192					-	-	
Cost of sales	(108,370)	(86,289)	(10,461)	(13,017)	(35,207)		(38,810)					(129,596)	(113,106)	
<b>Gross profit</b>	<b>36,733</b>	<b>27,401</b>	<b>6,435</b>	<b>6,109</b>	<b>1,829</b>		<b>2,117</b>			<b>1,674</b>	<b>(3,416)</b>	<b>46,959</b>	<b>31,923</b>	
Impairment losses, net of impairment reversals	(1,887)	(3,112)	7	(353)	(363)		582			-	342	(1,298)	(3,486)	
Net result from business combinations	54,649	313,517	-	-	-		-			-	-	54,649	313,517	
Share of results of associates and joint ventures	9,747	6,594	(121)	(111)	(1,440)		4,377			-	-	14,003	5,043	
Net foreign exchange gain / (loss)	(355)	1,266	(90)	241	(219)		(22)			-	8	(467)	1,296	
Finance income	2,463	3,078	77	103	208		262			(7)	(751)	2,795	2,638	
Finance costs	(6,001)	(4,063)	(180)	(133)	(1,236)		(99)			60	344	(6,220)	(5,088)	
Income tax (expense) / benefit	(7,722)	(2,713)	(695)	(714)	(86)		(81)			-	-	(8,498)	(3,513)	
<b>Profit / (loss) for the period from continuing operations</b>	<b>91,421</b>	<b>330,871</b>	<b>3,076</b>	<b>3,219</b>	<b>(4,481)</b>		<b>7,293</b>			<b>2,166</b>	<b>(4,321)</b>	<b>103,956</b>	<b>325,288</b>	
Profit for the period from discontinued operation	-	-	-	-	1,103		-			-	-	-	1,103	
<b>Profit for the period</b>	<b>91,421</b>	<b>330,871</b>	<b>3,076</b>	<b>3,219</b>	<b>(3,378)</b>		<b>7,293</b>			<b>2,166</b>	<b>(4,321)</b>	<b>103,956</b>	<b>326,391</b>	
Depreciation and amortisation charge	(24,190)	(15,886)	(634)	(706)	(2,416)		(2,292)			120	151	(26,996)	(18,857)	

\* Revenue is mostly recognised at a point in time (on a delivery date).



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**5. Segment Information (Continued)**

Segment information for the reportable segments as of 30 June 2019 and 31 December 2018 is set out below (continued):

	Uranium		UMP		Other		Eliminations		Total	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<i>In millions of Kazakhstani Tenge</i>										
Investments in associates and joint ventures	90,018	121,130	6,763	6,885	25,627	19,861	-	-	122,408	147,876
<b>Total reportable segment assets</b>	<b>1,507,645</b>	<b>1,384,836</b>	<b>76,754</b>	<b>75,519</b>	<b>100,449</b>	<b>92,558</b>	<b>(107,929)</b>	<b>(76,380)</b>	<b>1,576,919</b>	<b>1,476,533</b>
Assets of disposal groups classified as held for sale	-	-	-	-	1,595	5,578	-	-	1,595	5,578
<b>Total assets</b>	<b>1,507,645</b>	<b>1,384,836</b>	<b>76,754</b>	<b>75,519</b>	<b>102,044</b>	<b>98,136</b>	<b>(107,929)</b>	<b>(76,380)</b>	<b>1,578,514</b>	<b>1,482,111</b>
<b>Total reportable segment liabilities</b>	<b>507,244</b>	<b>472,511</b>	<b>11,922</b>	<b>12,024</b>	<b>25,449</b>	<b>23,659</b>	<b>(107,438)</b>	<b>(76,494)</b>	<b>437,177</b>	<b>431,700</b>
Liabilities of disposal groups classified as held for sale	-	-	-	-	735	5,951	-	-	735	5,951
<b>Total liabilities</b>	<b>507,244</b>	<b>472,511</b>	<b>11,922</b>	<b>12,024</b>	<b>26,184</b>	<b>29,610</b>	<b>(107,438)</b>	<b>(76,494)</b>	<b>437,912</b>	<b>437,651</b>
<b>Capital expenditure</b>	<b>15,085</b>	<b>13,726</b>	<b>1,029</b>	<b>497</b>	<b>542</b>	<b>743</b>	<b>-</b>	<b>-</b>	<b>16,656</b>	<b>14,966</b>

**(e) Analysis of revenues by products and services**

The Group's revenues are analysed by products and services in Note 8.

## 5. Segment Information (Continued)

### (f) Geographical information

All the Group's main assets are located in the Republic of Kazakhstan. Distribution of Group's sales between countries on the basis of the customer's country of domicile was as follows:

<i>In millions of Kazakhstani Tenge</i>	For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)
China	70,782	38,183
France	28,419	20,523
Canada	23,402	-
Kazakhstan	17,600	32,947
United Kingdom	14,922	-
USA	12,566	10,844
Germany	1,462	1,018
Japan	1,111	2,005
South Korea	515	398
India	16	28,011
Other countries	5,760	11,100
<b>Total consolidated revenues</b>	<b>176,555</b>	<b>145,029</b>

### Major customers

The Group has a group of customers with common ultimate parent that accounts for more than 10% of the Group's consolidated revenue in the amount of Tenge 62,083 million for the six months ended 30 June 2019 (for the six months period ended 30 June 2018: Tenge 32,446 million). This revenue is reported under the Uranium segment.

## 6. Balances and Transactions with Related Parties

Entities under common control include companies under the control of Samruk-Kazyna. Transactions with other government owned entities are not disclosed when they are entered into in the ordinary course of business with terms consistently applied to all public and private entities i) when they are not individually significant, ii) if the Group's services are provided on the standard terms available for all customers, or iii) where there is no choice of supplier of such services as electricity transmission services, telecommunications and etc.

The outstanding balances with related parties as at 30 June 2019 are as follows:

<i>In millions of Kazakhstani Tenge</i>	Accounts receivable and other assets	Dividends receivable	Loans given	Accounts payable and other liabilities	Loans and borrowings
Associates	2,315	9,298	15,256	8,967	17,451
Joint ventures	4,901	-	2,310	5,468	-
Entities under common control	153	-	-	693	-
Associates of the Shareholder	23	-	-	4,128	-
<b>Total</b>	<b>7,392</b>	<b>9,298</b>	<b>17,566</b>	<b>19,256</b>	<b>17,451</b>

## **6. Balances and Transactions with Related Parties (Continued)**

The income and expenses and other transactions with related parties for the period ended 30 June 2019 are as follows:

<i>In millions of Kazakhstani Tenge</i>	<b>Sale of goods and services</b>	<b>Dividends received</b>	<b>Purchase of goods and services</b>	<b>Dividends to the Shareholder</b>	<b>Other income and expenses</b>	<b>Interest income</b>
Associates	16,850	8,884	10,260	-	14	671
Joint ventures	5,080	739	5,665	-	-	-
Entities under common control	-	-	-	-	-	-
Associates of the Shareholder	50	-	3,724	-	-	-
Shareholder	-	-	-	68,065	-	-
<b>Total</b>	<b>21,980</b>	<b>9,623</b>	<b>19,649</b>	<b>68,065</b>	<b>14</b>	<b>671</b>

The outstanding balances with related parties as at 31 December 2018 are as follows:

<i>In millions of Kazakhstani Tenge</i>	<b>Accounts receivable and other assets</b>	<b>Dividends receivable</b>	<b>Loans given</b>	<b>Accounts payable and other liabilities</b>
Associates	2,580	8,659	23,618	12,560
Joint ventures	4,719	-	-	2,041
Entities under common control	199	-	-	563
Shareholder	-	-	-	479
Associates of the Shareholder	18	-	-	4,046
<b>Total</b>	<b>7,516</b>	<b>8,659</b>	<b>23,618</b>	<b>19,689</b>



## 6. Balances and Transactions with Related Parties (Continued)

The income and expenses and other transactions with related parties for the period ended 30 June 2018 are as follows:

<i>In millions of Kazakhstani Tenge</i>	<b>Sale of goods and services</b>	<b>Dividends received</b>	<b>Purchase of goods and services</b>	<b>Dividends to the Shareholder</b>	<b>Interest income</b>
Associates	6,613	5,816	26,115	-	595
Joint ventures	4,186	-	6,221	-	-
Entities under common control	8,578	-	23,670	-	-
Associates of the Shareholder	49	-	116	-	-
Shareholder	89	-	-	135,012	-
Other	490	-	10,862	-	-
<b>Total</b>	<b>20,005</b>	<b>5,816</b>	<b>66,984</b>	<b>135,012</b>	<b>595</b>

The table below shows the remuneration of key management personnel:

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>Accrued liability</b>	<b>30 June 2018 (unaudited)</b>	<b>Accrued liability</b>
	<b>Expenses</b>		<b>Expenses</b>	
<i>Short-term benefits</i>				
Salaries and bonuses	777	58	254	49
<b>Total</b>	<b>777</b>	<b>58</b>	<b>254</b>	<b>49</b>

## 7. Profit and Loss Information

Profit for the three and six months includes the following items that are unusual because of their nature, size or incidence:

<i>In millions of Kazakhstani Tenge</i>	<b>For the three months ended</b>		<b>For the six months ended</b>	
	<b>30 June 2019 (unaudited)</b>	<b>30 June 2018 (unaudited, restated)</b>	<b>30 June 2019 (unaudited)</b>	<b>30 June 2018 (unaudited, restated)</b>
Net result from business combinations (Note 35)	-	-	54,649	313,517
Gain from reversal of liability under joint operations (Note 13)	16,998	-	16,998	-
Gain from disposal of subsidiary (Note 13)	5,634	9	5,634	9

### **Gain from reversal of liability under joint operations**

Gain from reversal of liability under joint operations relates to volumes of uranium that were not purchased by the Group from joint operations in 2018, and which as agreed by the partners the Group does not plan to acquire in future, hence this liability, which was initially recorded at 31 December 2018, was derecognised during the three months ended 30 June 2019.

## 8. Revenue

The Group's revenue arises from contracts with customers where performance obligations are satisfied mostly at a point in time.

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Sales of uranium products	102,301	68,510	145,710	112,889
Sales of beryllium	4,817	4,186	8,306	7,414
Sales of purchased goods and other products	5,461	4,468	9,720	8,258
Sales of tantalum	2,101	3,788	3,844	7,353
Drilling services	1,866	2,002	3,782	3,630
Sales of other services	1,676	2,091	3,255	3,640
Transportation services	766	653	1,440	1,391
Sales of photovoltaic cells	255	221	323	238
Other	89	152	175	216
<b>Total revenue</b>	<b>119,332</b>	<b>86,071</b>	<b>176,555</b>	<b>145,029</b>

## 9. Cost of Sales

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)
Materials and supplies	58,998	42,908	71,801	63,713
Depreciation and amortisation	15,567	9,375	26,113	18,322
Wages and salaries	5,466	6,128	10,407	11,072
Taxes other than income tax	3,292	3,962	8,845	9,362
Processing and other services	4,578	2,110	7,226	5,698
Transportation expenses	518	1,048	1,215	1,762
Maintenance and repair	678	656	1,077	1,198
Utilities	227	405	647	922
Other	1,154	1,149	2,265	1,057
<b>Total cost of sales</b>	<b>90,478</b>	<b>67,741</b>	<b>129,596</b>	<b>113,106</b>

## 10. Distribution Expenses

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Shipping, transportation and storing	1,745	845	2,469	2,446
Wages and salaries	161	131	343	241
Rent	14	93	25	130
Materials and supplies	54	49	97	84
Depreciation and amortisation	20	15	37	30
Commissions	39	45	334	74
Cargo insurance	37	1	76	15
Radiation safety assurance	239	-	239	-
Other	345	231	488	341
<b>Total distribution expenses</b>	<b>2,654</b>	<b>1,410</b>	<b>4,108</b>	<b>3,361</b>

## 11. General and Administrative Expenses

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Wages and salaries	3,545	3,259	7,001	6,792
Reserves on liabilities	3,057	-	3,057	-
Consulting and information services	1,115	631	1,898	1,172
Impairment of accounts receivable and prepaid expenses	(190)	997	29	1,289
Rent	23	312	101	631
Depreciation and amortisation	420	180	788	425
Maintenance and repair	171	263	312	335
Business trip expenses	247	165	372	279
Communication	10	121	73	176
Materials and supplies	53	57	111	130
Taxes other than income tax	244	65	381	118
Utilities	21	28	82	93
Corporate events	17	39	79	69
Penalties and fines	69	10	85	35
Other	726	563	1,388	1,029
<b>Total general and administrative expenses</b>	<b>9,528</b>	<b>6,690</b>	<b>15,757</b>	<b>12,573</b>

## 12. Impairment Losses

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Losses from financial assets impairment	84	-	424	285
Losses from non-financial assets impairment	1,397	4,732	1,711	5,023
Reversal of impairment losses on financial assets	(83)	(314)	(95)	(338)
Reversal of impairment losses on non-financial assets	(510)	-	(742)	(1,484)
<b>Total impairment losses</b>	<b>888</b>	<b>4,418</b>	<b>1,298</b>	<b>3,486</b>

Impairment losses for the six months ended 30 June 2019 include write down to net realisable value of produced uranium products of Tenge 357 million (six months ended 30 June 2018: Tenge 1,331 million).

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**13. Other Income**

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)
Gain from reversal of liability under joint operations	16,998	-	16,998	-
Gain from disposal of subsidiary	5,634	9	5,634	9
Other	215	61	1,152	70
<b>Total other income</b>	<b>22,847</b>	<b>70</b>	<b>23,784</b>	<b>79</b>

**14. Other Expenses**

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Loss on suspension of production	151	200	329	407
Loss on disposal of non-current assets	20	-	388	-
Non-recoverable VAT	59	26	123	-
Social sphere expenses	121	303	148	328
Depreciation of non-current assets	29	64	58	79
Other	838	(66)	840	373
<b>Total other expenses</b>	<b>1,218</b>	<b>527</b>	<b>1,886</b>	<b>1,187</b>

**15. Finance Income and Costs**

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
<b>Finance income</b>				
Interest income	962	799	1,969	1,634
Gain from remeasurement of financial assets	20	961	20	961
Gain from remeasurement of financial liabilities	6	6	711	10
Unwinding of discount on accounts receivable	7	15	17	33
Other finance income	52	-	78	-
<b>Total finance income</b>	<b>1,047</b>	<b>1,781</b>	<b>2,795</b>	<b>2,638</b>
<b>Finance costs</b>				
Interest expense on loans and borrowings	1,590	1,584	3,576	3,138
Unwinding of discount on provisions	629	569	1,249	1,065
Loss from remeasurement of financial assets	234	-	882	592
Unwinding of discount on other financial liabilities	21	61	41	120
Other finance costs	291	19	472	173
<b>Total finance costs</b>	<b>2,765</b>	<b>2,233</b>	<b>6,220</b>	<b>5,088</b>



## 16. Income Tax Expense

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)	30 June 2019 (unaudited)	30 June 2018 (unaudited, restated)
Current income tax	9,620	5,495	17,681	7,003
Deferred income tax	(1,397)	(1,051)	(9,183)	(3,490)
<b>Total income tax expense</b>	<b>8,223</b>	<b>4,444</b>	<b>8,498</b>	<b>3,513</b>

Income tax expense is recognised based upon management's estimate of the weighted average effective annual income tax rate. The estimated average annual tax rate used for the period to 30 June 2019 is 21%, compared to 22% for the period ended 30 June 2018.

## 17. Property, Plant and Equipment

<i>In millions of Kazakhstani Tenge</i>	Land	Buildings	Machinery and equipment	Vehicles	Other	Construc- tion in progress	Total
<b>At 1 January 2019</b>							
Cost	398	127,359	80,918	17,722	4,811	19,497	250,705
Accumulated depreciation and impairment	-	(28,028)	(31,789)	(10,396)	(2,316)	(1,787)	(74,316)
<b>Carrying amount (restated)</b>	<b>398</b>	<b>99,331</b>	<b>49,129</b>	<b>7,326</b>	<b>2,495</b>	<b>17,710</b>	<b>176,389</b>
Additions	3	16	574	188	761	3,822	5,364
Additions from business combinations (Note 35)	-	43	10	6	-	122	181
Transfers	-	2,747	1,511	298	60	(4,616)	-
Transfers (to)/from inventories	-	-	41	-	16	(87)	(30)
Depreciation charge	-	(2,790)	(3,584)	(687)	(301)	-	(7,362)
Depreciation on disposals	-	55	643	39	66	-	803
Impairment loss	-	-	(3)	-	-	-	(3)
Reversal of impairment loss	-	4	16	-	-	4	24
Disposals	-	(347)	(677)	(42)	(91)	(48)	(1,205)
Transfers to non-current assets held for sale	-	33	126	3	5	-	167
Transfers (to)/from intangible assets	-	-	-	-	-	(1,477)	(1,477)
<b>At 30 June 2019 (unaudited)</b>							
Cost	401	129,809	82,375	18,179	5,557	17,213	253,534
Accumulated depreciation and impairment	-	(30,717)	(34,589)	(11,048)	(2,546)	(1,783)	(80,683)
<b>Carrying amount</b>	<b>401</b>	<b>99,092</b>	<b>47,786</b>	<b>7,131</b>	<b>3,011</b>	<b>15,430</b>	<b>172,851</b>

As of 30 June 2019, commitments relating to the acquisition of property, plant and equipment were Tenge 4,326 million (31 December 2018: Tenge 2,091 million).

## 18. Mine Development Assets

<i>In millions of Kazakhstani Tenge</i>	<b>Field preparation</b>	<b>Site restoration asset</b>	<b>Ion-exchange resin</b>	<b>Total</b>
<b>At 1 January 2019</b>				
Cost	157,339	14,754	13,710	185,803
Accumulated depreciation and impairment	(61,214)	(886)	(2,627)	(64,727)
<b>Carrying amount (restated)</b>	<b>96,125</b>	<b>13,868</b>	<b>11,083</b>	<b>121,076</b>
Additions	9,336	-	-	9,336
Additions from business combinations (Note 35)	22,139	488	-	22,627
Transfers from inventories	249	-	149	398
Transfers from exploration and evaluation assets	801	-	29	830
Depreciation charge	(12,884)	(466)	(368)	(13,718)
<b>At 30 June 2019 (unaudited)</b>				
Cost	247,641	16,800	15,330	279,771
Accumulated depreciation and impairment	(131,875)	(2,910)	(4,437)	(139,222)
<b>Carrying amount</b>	<b>115,766</b>	<b>13,890</b>	<b>10,893</b>	<b>140,549</b>

## 19. Mineral Rights

<i>In millions of Kazakhstani Tenge</i>	
<b>At 1 January 2019</b>	
Cost	465,281
Accumulated depreciation and impairment	(12,842)
<b>Carrying amount (restated)</b>	<b>452,439</b>
Additions from business combinations (Note 35)	178,856
Transfers from exploration and evaluation assets	904
Amortisation and impairment charge	(13,076)
Additions	4
<b>At 30 June 2019 (unaudited)</b>	
Cost	647,060
Accumulated depreciation and impairment	(27,933)
<b>Carrying amount</b>	<b>619,127</b>

## 20. Exploration and Evaluation Assets

<i>In millions of Kazakhstani Tenge</i>	<b>Tangible assets</b>	<b>Intangible assets</b>	<b>Total</b>
<b>At 1 January 2019</b>	<b>20,180</b>	<b>3,429</b>	<b>23,609</b>
Additions	575	-	575
Transfers to mine development assets	(830)	-	(830)
Transfers to mineral rights	-	(904)	(904)
Change in estimates	1,741	-	1,741
<b>At 30 June 2019 (unaudited)</b>	<b>21,666</b>	<b>2,525</b>	<b>24,191</b>

## 21. Investments in Associates

The table below summarises the changes in the carrying value of the Group's investments in associates:

<i>In millions of Kazakhstani Tenge</i>	
<b>Carrying value at 1 January 2019 (restated)</b>	<b>107,434</b>
Share of results of associates	9,404
Disposal (Note 35)	(31,154)
Dividends received from associates	(8,884)
<b>Carrying value at 30 June 2019 (unaudited)</b>	<b>76,800</b>

The Group has the following investments in associates:

	Country of incorporation	Principal activities	30 June 2019 (unaudited)		31 December 2018 (restated)	
			% ownership interest held/ % of voting rights	In millions of Kazakhstani Tenge	% ownership interest held/ % of voting rights	In millions of Kazakhstani Tenge
JV KATKO LLP	Kazakhstan	Extraction, processing and export of uranium products	49.00%	55,971	49.00%	49,704
JV Zarechnoe JSC	Kazakhstan	Extraction, processing and export of uranium products	49.98%	8,673	49.98%	9,705
Kyzylkum LLP	Kazakhstan	Extraction, processing and export of uranium products	50.00%	5,985	50.00%	5,121
Kaustik JSC	Kazakhstan	Supply of caustic soda	40.00%	3,769	40.00%	3,517
JV South Mining Chemical Company LLP	Kazakhstan	Extraction, processing and export of uranium products	30.00%	1,093	30.00%	7,290
JV SKZ Kazatomprom LLP	Kazakhstan	Production of sulphuric acid	9.89%	703	9.89%	710
JV Rosburmash LLP	Kazakhstan	Geological exploration	49.00%	387	49.00%	346
Zhanakorgan-Transit LLP	Kazakhstan	Transportation services	40.00%	219	40.00%	222
JV Khorasan-U LLP	Kazakhstan	Extraction, processing and export of uranium products	-	-	50.00%	30,819
<b>Total investments in associates</b>				<b>76,800</b>		<b>107,434</b>

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**21. Investments in Associates (Continued)**

Summarised financial information for the period ended 30 June 2019 and as of 30 June 2019 in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

		<b>Kyzylkum LLP</b>	<b>JV KATKO LLP</b>	<b>JV South Mining Chemical Company LLP</b>	<b>JV Zarechnoe JSC</b>	<b>JV Khorasan- U LLP</b>	<b>Other</b>	<b>Total</b>
<i>In millions of Kazakhstani Tenge</i>								
Current assets		3,066	72,098	20,653	5,457	-	6,635	107,909
Including cash		1,298	52,177	2,438	542	-	989	57,444
Non-current assets		29,640	62,465	38,094	16,491	-	23,123	169,813
<b>Total assets</b>		<b>32,706</b>	<b>134,563</b>	<b>58,747</b>	<b>21,948</b>	<b>-</b>	<b>29,758</b>	<b>277,722</b>
Current liabilities		(4,456)	(5,069)	(42,953)	(2,647)	-	(7,631)	(62,756)
Including financial liabilities net of trade and other accounts payable and provisions		(3,823)	(177)	(9,269)	(27)	-	(1,073)	(14,369)
<i>Incl. loan from the Company</i>		(3,823)	-	-	-	-	-	(3,823)
Non-current liabilities		(14,579)	(10,644)	(12,152)	(1,386)	-	(13,848)	(52,609)
Including financial liabilities net of trade and other accounts payable and provisions		(11,874)	(384)	(8,899)	(23)	-	(13,140)	(34,320)
<i>Incl. loan from the Company</i>		(11,874)	-	-	-	-	-	(11,874)
<b>Total liabilities</b>		<b>(19,035)</b>	<b>(15,713)</b>	<b>(55,105)</b>	<b>(4,033)</b>	<b>-</b>	<b>(21,479)</b>	<b>(115,365)</b>
<b>Net assets</b>		<b>13,671</b>	<b>118,850</b>	<b>3,642</b>	<b>17,915</b>	<b>-</b>	<b>8,279</b>	<b>162,357</b>



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**21. Investments in Associates (Continued)**

<i>In millions of Kazakhstanian Tenge</i>	Kyzylkum LLP	JV KATKO LLP	JV South Mining Chemical Company LLP	JV Zarechnoe JSC	JV Khorasan- U LLP	Other	Total
Group's share of net assets of associates	6,835	58,237	1,093	8,954	-	884	76,003
Unrealised profit in the Group	-	(2,334)	-	(323)	-	-	(2,657)
Other movements	(850)	-	-	42	-	(326)	(1,134)
Goodwill	-	68	-	-	-	4,520	4,588
Share in accumulated unrecognised losses	-	-	-	-	-	-	-
<b>Carrying value of investments in associates</b>	<b>5,985</b>	<b>55,971</b>	<b>1,093</b>	<b>8,673</b>	<b>-</b>	<b>5,078</b>	<b>76,800</b>
Total revenue	6,010	29,595	10,765	6,506	4,101	9,047	66,024
Depreciation and amortisation	(335)	(5,769)	(1,001)	(1,353)	(399)	(1,196)	(10,053)
Finance income	224	43	136	17	20	30	470
Finance costs	(697)	(779)	(520)	(65)	(10)	(538)	(2,609)
Foreign exchange gain/(loss)	-	(414)	(320)	(20)	(242)	43	(953)
(Impairment)/reversal of impairment	4	-	(13)	-	-	-	(9)
Income tax expense	109	(1,927)	(1,008)	(365)	(540)	(41)	(3,772)
Profit for the period	1,729	11,942	3,886	1,401	1,003	647	20,608
<b>Total comprehensive income</b>	<b>1,729</b>	<b>11,942</b>	<b>3,886</b>	<b>1,401</b>	<b>1,003</b>	<b>647</b>	<b>20,608</b>
Other	-	415	111	(324)	(167)	-	35
Dividends accrued	-	-	7,475	1,409	-	-	8,884

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**21. Investments in Associates (Continued)**

Summarised financial information as of 31 December 2018 in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

<i>In millions of Kazakhstani Tenge</i>	Kyzylkum LLP	JV KATKO LLP	JV South Mining Chemical Company LLP	Zarechnoe JSC	JV Khorasan- U LLP	Other	Total
Current assets	10,411	60,478	29,386	9,644	20,124	5,145	135,188
Including cash	8,752	34,794	5,390	1,264	4,700	995	55,895
Non-current assets	29,851	62,657	39,261	16,507	64,276	23,772	236,324
<b>Total assets</b>	<b>40,262</b>	<b>123,135</b>	<b>68,647</b>	<b>26,151</b>	<b>84,400</b>	<b>28,917</b>	<b>371,512</b>
Current liabilities	(12,017)	(6,450)	(36,346)	(5,508)	(20,825)	(6,619)	(87,765)
Including financial liabilities net of trade and other accounts payable and provisions	(10,154)	(9,778)	(529)	(2,743)	(17,441)	(1,799)	(32,666)
Non-current liabilities	(16,303)	(9,778)	(7,630)	(1,309)	(1,231)	(14,497)	(50,748)
Including financial liabilities net of trade and other accounts payable and provisions	(15,333)	-	(4,469)	-	-	(13,572)	(33,374)
<i>Incl. loan from the Company</i>	(15,333)	-	-	-	-	-	(15,333)
<b>Total liabilities</b>	<b>(28,320)</b>	<b>(16,228)</b>	<b>(43,976)</b>	<b>(6,817)</b>	<b>(22,056)</b>	<b>(21,116)</b>	<b>(138,513)</b>
<b>Net assets</b>	<b>11,942</b>	<b>106,907</b>	<b>24,671</b>	<b>19,334</b>	<b>62,344</b>	<b>7,801</b>	<b>232,999</b>
Group's share of net assets of associates	5,971	52,385	7,402	9,663	31,172	667	107,260
Unrealised profit in the Group	-	(2,749)	(112)	-	(353)	-	(3,214)
Other movements	(850)	-	-	42	-	(392)	(1,200)
Goodwill	-	68	-	-	-	4,520	4,588
<b>Carrying value of investments in associates</b>	<b>5,121</b>	<b>49,704</b>	<b>7,290</b>	<b>9,705</b>	<b>30,819</b>	<b>4,795</b>	<b>107,434</b>

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**21. Investments in Associates (Continued)**

Summarised financial information for the period ended 30 June 2018 in respect of each of the Group's material associates is set out below.

<i>In millions of Kazakhstani Tenge</i>	Kyzylkum LLP	JV KATKO LLP	JV South Mining Chemical Company LLP	JV Zarechnoe JSC	JV Khorasan- U LLP	Other	Total
Total revenue	6,869	27,471	19,167	4,687	10,560	8,678	77,432
Depreciation and amortisation	(387)	(5,902)	(2,535)	(1,107)	(1,849)	(1,060)	(12,840)
Finance income	9	6	142	24	98	63	342
Finance costs	(980)	(449)	(119)	(122)	(37)	(584)	(2,291)
Foreign exchange gain/(loss)	-	519	519	(97)	(86)	(95)	760
(Impairment)/reversal of impairment	-	98	57	122	(1)	-	276
Income tax expense	(497)	(2,492)	(1,564)	204	(142)	(163)	(4,654)
Profit for the period	1,588	9,512	7,357	412	376	237	19,482
<b>Total comprehensive income</b>	<b>1,588</b>	<b>9,512</b>	<b>7,357</b>	<b>412</b>	<b>376</b>	<b>237</b>	<b>19,482</b>
Other	-	(982)	167	(37)	(38)	-	(890)
Dividends received	-	-	5,617	199	-	-	5,816

## 22. Investments in Joint Ventures

The table below summarises the changes in the carrying value of the Group's investments in joint ventures:

*In millions of Kazakhstani Tenge*

<b>Carrying value at 1 January 2019</b>	<b>40,442</b>
Share of results of joint ventures	4,599
Effect of translation to presentation currency	1,317
Dividends from joint ventures	(739)
Other	(11)
<b>Carrying value at 30 June 2019 (unaudited)</b>	<b>45,608</b>

The Group has the following investments in joint ventures:

	Country of incorporation	Principal activity	30 June 2019 (unaudited)		31 December 2018	
			% ownership interest held	In millions of Kazakhstani Tenge	% ownership interest held	In millions of Kazakhstani Tenge
TsOU JSC	Russia	Production of advanced uranium products	50.00%	15,355	50.00%	10,678
Semizbay-U LLP	Kazakhstan	Extraction, processing and export of uranium products	51.00%	12,667	51.00%	12,675
Ulba TVS LLP	Kazakhstan	Construction of fuel assembly units plant and production, marketing and sale of fuel assembly units	51.00%	6,763	51.00%	6,885
JV Budenovskoe LLP	Kazakhstan	Extraction, processing and export of uranium products	51.00%	5,630	51.00%	5,732
Uranenergo LLP	Kazakhstan	Transfer and distribution of electricity, grid operations	79.45%	2,770	79.45%	2,839
SKZ-U LLP	Kazakhstan	Production of sulphuric acid	49.00%	2,423	49.00%	1,633
<b>Total investments in joint ventures</b>				<b>45,608</b>		<b>40,442</b>



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**22. Investments in Joint Ventures (Continued)**

Summarised financial information as of 30 June 2019 and 31 December 2018 in respect of each of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint ventures' financial statements prepared in accordance with IFRS, adjusted by the Group for equity accounting purposes.

	Semizbay-U LLP		TsOU JSC		Other		Total	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<i>In millions of Kazakhstani Tenge</i>								
Current assets	11,738	9,851	25,373	8,464	17,019	17,784	54,130	36,099
Including cash	405	812	1,977	5,192	6,853	10,394	9,235	16,398
Non-current assets	19,444	18,541	129,027	113,872	55,382	53,433	203,853	185,846
<b>Total assets</b>	<b>31,182</b>	<b>28,392</b>	<b>154,400</b>	<b>122,336</b>	<b>72,401</b>	<b>71,217</b>	<b>257,983</b>	<b>221,945</b>
Current liabilities	(9,870)	(7,522)	(37,296)	(13,469)	(11,210)	(8,473)	(58,376)	(29,464)
Including financial liabilities net of trade and other accounts payable and provisions	(7,522)	(4,600)	(10,290)	(8,856)	(7,586)	(5,340)	(25,398)	(18,796)
Non-current liabilities	(3,978)	(4,065)	(82,615)	(87,511)	(15,257)	(17,943)	(101,850)	(109,519)
Including financial liabilities net of trade and other accounts payable and provisions	-	-	(82,615)	(87,511)	(15,211)	(17,917)	(97,826)	(105,428)
<b>Total liabilities</b>	<b>(13,848)</b>	<b>(11,587)</b>	<b>(119,911)</b>	<b>(100,980)</b>	<b>(26,467)</b>	<b>(26,416)</b>	<b>(160,226)</b>	<b>(138,983)</b>
<b>Net assets</b>	<b>17,334</b>	<b>16,805</b>	<b>34,489</b>	<b>21,356</b>	<b>45,934</b>	<b>44,801</b>	<b>97,757</b>	<b>82,962</b>
Group's share of net assets of joint ventures	8,840	8,570	17,245	10,678	24,769	24,249	50,854	43,497
Share in accumulated unrecognised losses	-	-	-	-	(5,765)	(5,742)	(5,765)	(5,742)
Goodwill	4,105	4,105	-	-	(1,397)	(1,397)	2,708	2,708
Impairment	-	-	-	-	(21)	(21)	(21)	(21)
Other	-	-	(1,890)	-	-	-	(1,890)	-
Unrealised profit in the Group	(278)	-	-	-	-	-	(278)	-
<b>Carrying value of investments in joint ventures</b>	<b>12,667</b>	<b>12,675</b>	<b>15,355</b>	<b>10,678</b>	<b>17,586</b>	<b>17,089</b>	<b>45,608</b>	<b>40,442</b>

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**22. Investments in Joint Ventures (Continued)**

Summarised financial information for the period ended 30 June 2019 and 30 June 2018 in respect of each of the Group's material associates is set out below.

<i>In millions of Kazakhstani Tenge</i>	Semizbay-U LLP		TsOU JSC		Other		Total	
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Total revenue	11,962	9,545	104	580	7,018	7,377	19,084	17,502
Depreciation and amortisation	(1,727)	(1,575)	(1)	(1)	(615)	(584)	(2,343)	(2,160)
Finance income	30	37	85	81	13	139	128	257
Finance costs	(265)	(417)	(2,424)	(2,273)	(367)	(312)	(3,056)	(3,002)
Foreign exchange gain/(loss)	(39)	(396)	9,758	(7,460)	58	(540)	9,777	(8,396)
(Impairment)/reversal of impairment	-	(939)	-	-	5	34	5	(905)
Income tax expense	(734)	(44)	(755)	1,447	(491)	(457)	(1,980)	946
<b>Profit/(loss) for the period</b>	<b>1,977</b>	<b>(206)</b>	<b>6,741</b>	<b>(4,740)</b>	<b>1,150</b>	<b>1,111</b>	<b>9,868</b>	<b>(3,835)</b>
<b>Total comprehensive income/(loss)</b>	<b>1,977</b>	<b>(206)</b>	<b>6,720</b>	<b>(4,740)</b>	<b>1,150</b>	<b>1,111</b>	<b>9,847</b>	<b>(3,835)</b>
Other	(278)	-	-	-	4	(13)	(274)	(13)
Dividends accrued	739	-	-	-	-	-	739	-

## 23. Loans to Related Parties

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018</b>
<b>Kyzylkum LLP</b>		
- non-current portion	12,136	13,245
- current portion	3,120	10,373
<b>Ulba TVS LLP</b>		
- current portion	2,310	-
<b>Total loans to related parties</b>	<b>17,566</b>	<b>23,618</b>

The weighted average annual interest rate on loans to related parties in the period ended 30 June 2019 was 8.34%.

## 24. Current Accounts Receivable

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018</b>
Trade accounts receivable	44,475	91,094
Trade accounts receivable from related parties	3,115	3,277
<b>Total gross trade accounts receivable</b>	<b>47,590</b>	<b>94,371</b>
Provision for impairment of receivables	(172)	(90)
Provision for impairment of receivables from related parties	(53)	(49)
<b>Total net trade accounts receivable</b>	<b>47,365</b>	<b>94,232</b>
Other accounts receivable	843	607
Other accounts receivable from related parties	4	2
<b>Total gross other accounts receivable</b>	<b>847</b>	<b>609</b>
Provision for impairment of other accounts receivable	(774)	(364)
<b>Total net other accounts receivable</b>	<b>73</b>	<b>245</b>
<b>Total current accounts receivable</b>	<b>47,438</b>	<b>94,477</b>

## 25. Inventories

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018 (restated)</b>
Finished goods and goods for resale	175,838	130,922
Work-in-process	23,641	19,768
Raw materials	17,882	13,728
Other materials	5,821	5,459
Spare parts	701	720
Fuel	839	1,875
Materials in process	1,434	1,226
Provision for obsolescence and write-down to net realisable value	(3,671)	(2,672)
<b>Total inventories</b>	<b>222,485</b>	<b>171,026</b>

## 26. Cash and Cash Equivalents

<i>In millions of Kazakhstani Tenge</i>	30 June 2019 (unaudited)	31 December 2018
Current bank accounts	56,075	125,959
Demand deposits	3,903	2,847
Cash in hand	23	31
Cash in transit	(2)	-
Cash on special accounts	20	-
ECL allowance for cash and cash equivalents	(7)	(18)
<b>Total cash and cash equivalents</b>	<b>60,012</b>	<b>128,819</b>

## 27. Other Assets

<i>In millions of Kazakhstani Tenge</i>	30 June 2019 (unaudited)	31 December 2018
<b>Non-current</b>		
Restricted cash	12,183	10,552
Long-term inventories	6,861	6,483
Long-term VAT	2,279	-
Prepaid expenses	1,320	1,343
Advances for non-current assets	1,443	1,276
Loans to employees	709	869
Advances to related parties	312	324
<b>Total other non-current assets</b>	<b>25,107</b>	<b>20,847</b>
<b>Current</b>		
Dividends receivable from related parties	9,298	8,659
Advances to related parties for goods and services	3,934	3,949
Advances for goods and services	6,361	2,760
Prepaid insurance	890	833
Prepaid taxes other than income tax	464	737
Due from employees	429	482
Prepaid expenses	471	412
Restricted cash	110	490
<b>Total other current assets</b>	<b>21,957</b>	<b>18,322</b>

## 28. Dividends and Share Capital

At 30 June 2019 the total number of authorised and paid ordinary shares is 259,356,608 (2018: 259,356,608). On 17 August 2018, the National Bank of the Republic of Kazakhstan registered the split of the total number of issued (paid) shares of the Company in the ratio of 1 to 7. As a result of this increase, the number of announced and issued (paid) common shares of the Company was 259,356,608 shares, which, as on 30 June 2019 remained unchanged.

In November 2018, Samruk-Kazyna JSC as a selling shareholder placed 15% of the Company's shares (equivalent to) 38,903,491 shares / global depositary receipts on the London Stock Exchange (LSE) and the Astana International Exchange (AIX). As of 30 June 2019, Samruk-Kazyna JSC is the controlling shareholder of the Group and owns 85.08% of the issued ordinary shares, 14.92% are on free float. Each ordinary share carries one vote.



## 28. Dividends and Share Capital (Continued)

Dividends declared and paid during the period were as follows:

*In millions of Kazakhstani Tenge*

Dividends payable to shareholders at 1 January 2019	-
Dividends declared during the period	80,001
Dividends paid during the period	(80,001)
<b>Dividends payable to shareholders at 30 June 2019 (unaudited)</b>	<b>-</b>
<b>Dividends per share declared during the period, in Tenge</b>	<b>308.46</b>

## 29. Borrowings

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018</b>
<b>Non-current</b>		
Bank loans	10,733	16,270
<b>Non-current borrowings</b>	<b>10,733</b>	<b>16,270</b>
<b>Current</b>		
Bank loans	24,949	74,159
Non-bank loans	16,629	35,726
Bonds issued	74,486	73,535
Promissory note issued	17,451	-
<b>Total current borrowings</b>	<b>133,515</b>	<b>183,420</b>

Promissory notes were issued by JV Khorasan-U LLP in December 2014 to repay the debt for mine development assets. According to the terms, the promissory notes are payable on demand at an interest rate of 0.1%. As of 30 June 2019, the right of claim under these promissory notes belongs to Kyzylkum LLP.

Information about the Group's loans and borrowings is presented as follows:

*In millions of Kazakhstani Tenge*

<b>At 1 January 2019</b>	<b>199,690</b>
Proceeds from borrowings	8,532
Additions from business combinations	17,441
Repayment of borrowings	(80,680)
Interest accrued	3,345
Interest paid	(1,693)
Foreign currency translation	(2,435)
Other	48
<b>At 30 June 2019 (unaudited)</b>	<b>144,248</b>

### 30. Accounts Payable

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018</b>
<b>Non-current</b>		
Trade accounts payable	656	777
<i>Total financial non-current accounts payable</i>	<i>656</i>	<i>777</i>
Other accounts payable	-	-
<b>Total financial non-current accounts payable</b>	<b>656</b>	<b>777</b>
<b>Current</b>		
Trade accounts payable to related parties	18,596	19,165
Trade accounts payable	46,410	30,525
Balances under uranium swap transactions	10,883	-
<i>Total financial current accounts payable</i>	<i>75,889</i>	<i>49,690</i>
Other accounts payable to related parties	1	-
Other accounts payable	945	1,844
<b>Total current accounts payable</b>	<b>76,835</b>	<b>51,534</b>

### 31. Provisions

<i>In millions of Kazakhstani Tenge</i>	<b>Compensation for occupational diseases</b>	<b>Environment protection</b>	<b>Site restoration</b>	<b>Other</b>	<b>Total</b>
<b>At 1 January 2019</b>					
Non-current	246	2,994	29,607	38	32,885
Current	91	96	-	-	187
<b>Total</b>	<b>337</b>	<b>3,090</b>	<b>29,607</b>	<b>38</b>	<b>33,072</b>
Additions from business combinations	-	-	712	-	712
Unwinding of discount	13	101	1,135	-	1,249
Transfer to disposal groups	-	-	(9)	-	(9)
Provision used	(44)	(1)	-	-	(45)
Change in estimates	-	-	1,741	-	1,741
<b>At 30 June 2019 (unaudited)</b>					
Non-current	257	3,094	33,186	38	36,575
Current	49	96	-	-	145
<b>Total</b>	<b>306</b>	<b>3,190</b>	<b>33,186</b>	<b>38</b>	<b>36,720</b>

### 32. Other Liabilities

<i>In millions of Kazakhstani Tenge</i>	<b>30 June 2019 (unaudited)</b>	<b>31 December 2018</b>
<b>Non-current</b>		
Advances received	3,637	3,260
Historical costs liabilities	1,650	1,442
Other provisions	3,056	-
Deferred income	876	738
Preferred shares	265	265
Issued financial guarantees	77	89
Advances received from related parties	14	17
Other liabilities	15	14
<b>Total non-current other liabilities</b>	<b>9,590</b>	<b>5,825</b>
<b>Current</b>		
Liability under joint operations	11,489	16,995
Dividends payable to other participants	4,816	244
Accrued unused vacation payments and bonuses	2,811	5,416
Wages and salaries payable	1,943	1,990
Historical costs liabilities	690	1,423
Social contributions payable	528	824
Advances received	1,735	2,253
Deferred income	101	142
Advances received from related parties	645	28
Other	138	1,004
Issued financial guarantees	228	
<b>Total current other liabilities</b>	<b>25,124</b>	<b>30,319</b>

### 33. Contingencies and Commitments

Except for items disclosed below, as of 30 June 2019, there are no significant contingent liabilities, commitments and operating risks in addition to those disclosed in the consolidated financial statements for the year ended 31 December 2018.

#### **Guarantees**

The maximum exposure to credit risk under financial guarantees, provided to secure financing of certain related parties, at 30 June 2019 is Tenge 12,268 million (31 December 2018: Tenge 13,746 million).

### 34. Fair Value Disclosures

Fair value measurements are analysed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on observable market data (that is, unobservable inputs). Management applies judgement in categorising financial instruments using the fair value hierarchy. If a fair value measurement uses observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

*Assets and liabilities not measured at fair value but for which fair value is disclosed*

Estimates of all assets and liabilities not measured at fair value but for which fair value is disclosed, except bonds, are level 3 of the fair value hierarchy.

### **34. Fair Value Disclosures (Continued)**

The fair values in level 3 of the fair value hierarchy were estimated using the discounted cash flows valuation technique. The fair value of floating rate instruments that are not quoted in an active market was estimated to be equal to their carrying amount. The fair value of unquoted fixed interest rate instruments was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities.

#### *Financial assets carried at amortised cost*

The fair value of floating rate instruments is normally their carrying amount. Estimate of all financial assets carried at amortised cost is level 3 measurement. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risks and remaining maturities. Discount rates used depend on the credit risk of the counterparty.

#### *Liabilities carried at amortised cost*

Fair values of other liabilities were determined using valuation techniques. The estimated fair value of fixed interest rate instruments with stated maturities were estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risks and remaining maturities. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date on which the amount could be required to be paid. The discount rates used ranged from 3.3% p.a. to 6.3% p.a. depending on the length and currency of the liability.

### **35. Business Combinations**

#### ***Baiken-U LLP, Kyzykum LLP and JV Khorasan-U LLP***

In December 2018, the Group finalised a settlement deed to complete the acquisition of 40.05% of the shares of Energy Asia (BVI) Limited and a 16.02% participatory interest in the chartered capital of JV Khorasan-U LLP from Energy Asia Holdings (BVI) Limited. As a result of this transaction:

- the Group's ownership interest in Baiken-U LLP, Kyzykum LLP and JV Khorasan-U LLP increased to 52.5%, 50% and 50%, respectively – before the transaction, those ownership interests were 14.45%, 33.98% and 33.98%, respectively.
- as of 31 December 2018 the Group obtained control over Baiken-U LLP through having majority of the voting rights and representation in the Supervisory Board.
- the Group maintained significant influence over Kyzykum LLP and JV Khorasan-U LLP as at 31 December 2018 and the Group concluded at that date that no control was obtained over JV Khorasan-U LLP pending participants' approval of changes in the charter of the investee that will enable the Group to exercise the majority of votes.
- in February 2019, the owners of JV Khorasan-U LLP approved changes to the charter documents of that entity, which gave the Group the ability to cast a majority vote at the supervisory board. As a result, the Group obtained control over JV Khorasan-U LLP from that date.

The acquisition of Baiken-U LLP as well as the increase in ownership interest in Kyzykum LLP and Khorasan-U LLP were reflected in the consolidated financial statements for the year ended 31 December 2018 at provisional (carrying) values. The valuations by an independent appraiser were finalised in the first half 2019. As a result, the statement of financial position as of 31 December 2018 was re-stated in these condensed interim consolidated financial statements (Note 3).

### 35. Business Combinations (Continued)

#### *Baiken-U LLP*

The acquisition-date fair value of the total purchase consideration and its components are as follows:

*In millions of Kazakhstani Tenge*

Cash consideration paid	26,136
Net liabilities from pre-existing relationship	(10,285)
<b>Total consideration transferred</b>	<b>15,851</b>
Investment in Baiken-U LLP prior to the acquisition, 5%	6,140
Interest in Baiken-U LLP via PSIL/EAL prior to the acquisition, effective 9.45%	11,607
<b>Total purchase consideration and fair value of previously held interest in the acquiree</b>	<b>33,598</b>

Consideration transferred by the Group under the terms of the settlement deed was allocated to the acquisition transactions of Baiken-U LLP, Kyzylkum LLP and JV Khorasan-U LLP based on their relative fair values (based on the valuation completed in the first half 2019).

Prior to the acquisition, the Group's investments in Baiken-U LLP were re-measured to fair value, following the requirements of IFRS 9. Liabilities from pre-existing relationship represent receivables of Baiken-U LLP from the Group, mainly for delivery of uranium.

The Group assessed the fair value of the identifiable assets acquired and the liabilities and contingent liabilities assumed in the acquisition of the entity under IFRS 3 Business Combinations. The valuation was performed by an independent appraiser.

Information on the acquired assets and liabilities assumed and resultant goodwill was based on the fair values at 31 December 2018.

*In millions of Kazakhstani Tenge*

	<b>Fair value</b>
Cash and cash equivalents	28,420
Accounts receivable	11,583
Inventories	2,814
Mineral rights	89,419
Property, plant and equipment	16,355
Mine development assets	21,437
Other assets	2,460
Accounts payable	(2,142)
Deferred tax liability	(20,154)
Other liabilities	(1,913)
Carrying value of identifiable net assets acquired (before elimination of intra-group balances)	148,279
Less: elimination of intra-group balances	(10,285)
<b>Carrying value of identifiable net assets acquired</b>	<b>137,994</b>
Less: bargain purchase gain arising from acquisition	(70,433)
Less: non-controlling interest	(33,963)
<b>Total purchase consideration and previously held interest in the acquiree</b>	<b>33,598</b>

Based on the valuation, the assets value of Baiken-U LLP increased by Tenge 97,724 million to fair value, mainly due to valuation of the subsoil use (mineral) right.



### **35. Business Combinations (Continued)**

The non-controlling interest represents a share in the net assets of the acquire attributable to owners of the non-controlling interest. The non-controlling interest was determined based on the proportionate share of the fair value of the acquiree's net assets.

*Increase in investments in associates - Kyzylkum LLP, Khorasan-U LLP*

As a result of the fair value assessment, the investment in associates changed as follows:

*In millions of Kazakhstani Tenge*

Investment in Kyzylkum LLP based on provisional values	2,465
Investment in Kyzylkum LLP based on fair values	1,589
<b>Net change in the value of investment in Kyzylkum LLP</b>	<b>(876)</b>
Investment in Khorasan-U LLP based on provision values	3,909
Investment in Khorasan-U LLP based on fair values	23,271
<b>Net change in the value of investment in Khorasan-U LLP</b>	<b>19,362</b>
<b>Increase in investments in associates (Note 3)</b>	<b>18,486</b>

*JV Khorasan-U LLP*

The Group gained control over JV Khorasan-U LLP on 20 February 2019. The Group assessed the fair value of the identifiable assets acquired and the liabilities and contingent liabilities assumed in the acquisition of the entity under IFRS 3 Business Combinations. The valuation was performed by an independent appraiser.

The acquisition-date fair value of the total purchase consideration and its components are as follows:

*In millions of Kazakhstani Tenge*

Cash consideration paid	-
Net liabilities from pre-existing relationship	(1,948)
<b>Total consideration transferred</b>	<b>(1,948)</b>
Investment in Khorasan-U LLP prior to the acquisition, 50%	83,653
<b>Total purchase consideration and fair value of previously held interest in the acquiree</b>	<b>81,705</b>

### 35. Business Combinations (Continued)

Liabilities from pre-existing relationship represent receivables of JV Khorasan-U LLP from the Group, mainly for delivery of uranium. The difference between the consideration transferred and the fair value of the acquiree's identifiable assets, liabilities assumed and contingent liabilities led to recognition of a bargain purchase gain, as presented in the table below.

<i>In millions of Kazakhstani Tenge</i>	<b>Fair value</b>
Cash and cash equivalents	5,563
Accounts receivable	10,020
Inventories	8,873
Property, plant and equipment	181
Mine development assets	22,627
Mineral rights	178,856
Other assets	6,105
Promissory note	(17,441)
Accounts payable	(4,527)
Deferred tax liability	(36,873)
Other liabilities	(1,777)
Carrying value of identifiable net assets acquired (before elimination of intra-group balances)	171,607
Less: elimination of intra-group balances	(1,948)
<b>Carrying value of identifiable net assets acquired</b>	<b>169,659</b>
Less: bargain purchase gain	(2,150)
Less: non-controlling interest	(85,804)
<b>Total purchase consideration and previously held interest in the acquiree</b>	<b>81,705</b>

The valuation of identifiable assets and liabilities was performed by an independent professional appraiser.

Based on the valuation, the assets value increased by Tenge 184,221 million to fair value, mainly due to valuation of the subsoil use (mineral) right.

The non-controlling interest represents a share in the net assets of the acquire attributable to owners of the non-controlling interest. The non-controlling interest was determined based on proportionate share of the acquire's net assets' fair value.

Net result of business combinations recognised in the six months ended 30 June 2019 comprises bargain purchase gain of Tenge 2,150 million and excess of fair value of investment in the associate over its carrying value of Tenge 52,499 million at the acquisition date.

<i>In millions of Kazakhstani Tenge</i>	
Fair value of the investment at the date of acquisition	83,653
Less: carrying value of the investment prior to acquisition	(31,154)
Bargain purchase gain	2,150
<b>Net gain from business acquisition – Khorasan-U LLP</b>	<b>54,649</b>

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**36. Non-controlling Interest**

The following table provides information about each significant subsidiary that has non-controlling interest that is material to the Group as of 30 June 2019:

Name	Country of incorporation and principal place of business	Ownership rights held by non-controlling interest	Profit or loss attributable to non-controlling interest	Accumulated non-controlling interest
Ulba Metallurgical Plant JSC	Kazakhstan	9.82%	165	6,556
Appak LLP	Kazakhstan	35%	733	7,231
Inkai LLP	Kazakhstan	40%	5,044	89,177
Baiken-U LLP	Kazakhstan	47.5%	2,307	58,965
JV Khorasan-U LLP	Kazakhstan	50%	3,063	88,867
<b>Total</b>			<b>11,312</b>	<b>250,796</b>

The following table provides information about each significant subsidiary that has non-controlling interest that is material to the Group as of 31 December 2018:

Name	Country of incorporation and principal place of business	Ownership rights held by non-controlling interest	Profit or loss attributable to non-controlling interest	Accumulated non-controlling interest
Ulba Metallurgical Plant JSC	Kazakhstan	9.82%	30	6,399
Appak LLP	Kazakhstan	35%	1,533	8,031
Inkai LLP	Kazakhstan	40%	7,457	84,133
Baiken-U LLP	Kazakhstan	47.5%	-	70,433
<b>Total</b>			<b>9,020</b>	<b>168,996</b>

The summarised financial information of these subsidiaries as of 30 June 2019 and 31 December 2018 as well as for the period ended 30 June 2019 and 30 June 2018 is as follows:

In millions of Kazakhstani Tenge	Ulba Metallurgical Plant JSC		Appak LLP		Inkai LLP		Baiken-U LLP		JV Khorasan- U LLP
	31		31		31		31		30 June
	30 June 2019	December 2018	30 June 2019	December 2018	30 June 2019	December 2018	30 June 2019	December 2018	2019
Current assets	40,006	38,282	11,952	14,373	48,523	57,052	28,131	42,906	31,172
Non-current assets	39,847	40,499	13,169	13,251	227,558	228,651	124,780	129,582	201,105
Current liabilities	(5,618)	(6,150)	(1,982)	(2,307)	(21,122)	(42,747)	(6,878)	(2,792)	(20,509)
Non-current liabilities	(6,303)	(5,903)	(2,482)	(2,376)	(35,206)	(35,334)	(20,762)	(21,417)	(37,246)
Equity, incl.	67,932	66,728	20,657	22,941	219,753	207,622	125,271	148,279	174,522
Equity attributable to the Group	61,376	60,329	13,426	14,910	130,576	123,489	66,306	77,846	85,655
Non-controlling interest	6,556	6,399	7,231	8,031	89,177	84,133	58,965	70,433	88,867

**JSC National Atomic Company Kazatomprom**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**for three and six months ended 30 June 2019**

**36. Non-controlling Interest (Continued)**

In millions of Kazakhstani Tenge	For the six months ended							
	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018	30 June 2019	30 June 2018
Revenue	16,896	19,126	6,648	4,878	26,673	13,986	13,034	-
Depreciation and amortisation	(634)	(706)	(740)	(679)	(3,704)	(2,712)	(6,209)	-
Depreciation and amortisation from fair value	-	-	-	-	(774)	(1,974)	(3,925)	-
Finance income	77	103	54	95	92	19	420	-
Finance costs	(169)	(133)	(85)	(169)	(613)	(789)	(50)	-
Income tax expense	(695)	(714)	(527)	71	2,990	(717)	(1,148)	-
Net foreign exchange gain/(loss)	(90)	241	(71)	(185)	217	(788)	(326)	-
Impairment (loss)/reversal of impairment	(7)	(353)	(27)	22	-	-	(19)	-
<b>Profit/(loss) for the period</b>	<b>1,593</b>	<b>2,149</b>	<b>2,094</b>	<b>(211)</b>	<b>12,610</b>	<b>2,638</b>	<b>4,857</b>	<b>-</b>
Profit/(loss) attributable to the owners of the Company	1,340	1,959	1361	(137)	7,566	1,583	2,550	-
Profit/(loss) attributable to non-controlling interest	165	190	733	(74)	5,044	1,055	2,307	-
<b>Total comprehensive income/(loss) for the period</b>	<b>1,505</b>	<b>2,149</b>	<b>2,094</b>	<b>(211)</b>	<b>12,610</b>	<b>2,638</b>	<b>4,857</b>	<b>6,127</b>
Net cash inflow/ (outflow) from:								
- operating activities	(2,467)	2,835	1,389	(1,723)	16,674	8,685	107	-
- investing activities	(2,971)	(1,753)	(957)	(382)	3,479	(4,999)	(1,202)	-
- financing activities	-	-	(3,798)	155	(18,658)	(3,645)	(16,220)	-
Effect of exchange rate fluctuations on cash and cash equivalents	(152)	179	(71)	(18)	(19)	48	-	-
<b>Net change in cash and cash equivalents</b>	<b>(5,590)</b>	<b>1,261</b>	<b>(3,437)</b>	<b>(1,968)</b>	<b>1,276</b>	<b>89</b>	<b>(17,315)</b>	<b>-</b>

### 37. Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company by the number of ordinary shares in issue during the period. The Company has no dilutive potential ordinary shares; therefore, the diluted earnings per share equals the basic earnings per share. Earnings per share from continuing operations is calculated as follows:

<i>In millions of Kazakhstani Tenge</i>	For the three months ended		For the six months ended	
	30 June 2019 (unaudited)	30 June 2018 (unaudited)	30 June 2019 (unaudited)	30 June 2018 (unaudited)
Profit from continuing operations for the period attributable to owners of the Company (in millions of Kazakhstani Tenge)	27,206	7,877	92,906	324,488
Profit for the period attributable to owners of the Company (in millions of Kazakhstani Tenge)	27,206	7,602	92,906	325,591
Number of ordinary shares (in thousands)	259,357	259,357	259,357	259,357
Earnings per share from continuing operations attributable to the owners of the Company, basic and diluted (rounded to Tenge)	105	30	358	1,251
Earnings per share attributable to the owners of the Company, basic and diluted (rounded to Tenge)	105	29	358	1,255