



Kazyna Capital Management JSC

Consolidated Interim Condensed
Financial Statements

for the six months ended 30 June 2021

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Independent Auditors' Report on Review of Consolidated Interim Condensed Financial Information

To Management and the Board of Directors of Kazyna Capital Management JSC

Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of Kazyna Capital Management JSC and its subsidiaries (the "Group") as at 30 June 2021, and the related consolidated interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the consolidated interim condensed financial information (the "consolidated interim condensed financial information"). Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this consolidated interim condensed financial information 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 consolidated interim condensed financial information 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 consolidated interim condensed financial information as at 30 June 2021 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



Madina Magomedova
Director

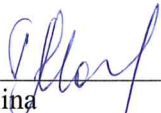


KPMG Audit LLC
Almaty, Republic of Kazakhstan
6 August 2021


Kazyra Capital Management JSC
*Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income for
the six months ended 30 June 2021*

KZT'000	Note	Unaudited For the six months ended 30 June 2021	Unaudited For the six months ended 30 June 2020
Interest income calculated using the effective interest method	4	902,497	1,082,542
Gain /(loss) on financial assets at fair value through profit or loss	18(b)	4,109,842	(20,968,758)
Net gain/ (loss) on derivative financial instruments		54,139	(576,462)
Dividend income		41,910	140,223
Net foreign exchange gain	5	549,912	1,918,693
Net gain /(loss) on investment financial assets		3,918	(314,605)
Other operating expenses		(48,442)	(370)
Operating income /(expenses)		5,613,776	(18,718,737)
Reversal of impairment losses on debt financial assets		149,355	63,141
Personnel expenses		(316,747)	(276,563)
General and administrative expenses		(306,265)	(286,814)
Profit/(loss) before income tax		5,140,119	(19,218,973)
Income tax expense	6	(371,038)	(352,548)
Profit /(loss) for the period		4,769,081	(19,571,521)
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Revaluation reserve for investment financial assets:			
- Net change in fair value, net of income tax		(11,013)	(70,613)
- Net change in fair value transferred to profit or loss		(12,233)	149,893
Other comprehensive (loss)/ income for the period, net of income tax		(23,246)	79,280
Total comprehensive income/(loss) for the period		4,745,835	(19,492,241)

These consolidated interim condensed financial statements as set out on pages 4 to 36 were approved by management on 6 August 2021 and were signed on its behalf by:


Gulnara Makanalina
Deputy Chairman of the Management Board




Raukhan Kutybayeva
Chief Accountant

The consolidated interim condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 9 to 36.

Kazyna Capital Management JSC
Consolidated Interim Condensed Statement of Financial Position as at 30 June 2021

KZT'000	Note	Unaudited 30 June 2021	31 December 2020
ASSETS			
Cash and cash equivalents	7	7,638,573	16,586,480
Amounts due from credit institutions	8	13,842,545	30,609,539
Assets at fair value through profit or loss	9	162,389,224	139,001,229
- Investments in joint ventures		46,999,149	46,929,140
- Investments in associates		41,659,153	31,164,044
- Other financial assets		73,730,922	60,908,045
Investment financial assets	10	27,885,734	4,162,053
Deferred tax asset		2,427,948	2,353,147
Current tax asset		1,610,495	1,295,775
Investment property		135,381	-
Property, plant and equipment and intangible assets		58,833	26,672
Other assets		124,063	30,582
Total assets		216,112,796	194,065,477
LIABILITIES			
Debt securities issued	11	40,152,744	40,150,736
Financial instruments at fair value through profit or loss		12,090,895	12,145,034
Other liabilities		407,663	439,644
Total liabilities		52,651,302	52,735,414
EQUITY			
Share capital	13	106,709,423	87,440,000
Unpaid capital	13	(1,537,853)	-
Revaluation reserve for investment financial assets		(4,570)	18,676
Retained earnings		58,294,494	53,871,387
Total equity		163,461,494	141,330,063
Total liabilities and equity		216,112,796	194,065,477

The consolidated interim condensed statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 9 to 36.

Kazyna Capital Management JSC
Consolidated Interim Condensed Statement of Cash Flows for the six months ended 30 June 2021

KZT'000	Unaudited For the six months ended 30 June 2021	Unaudited For the six months ended 30 June 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest income	620,315	960,268
Dividends received	41,910	112,349
Personnel expenses payments	(430,188)	(285,414)
Other general and administrative expenses (payments)	(462,352)	(342,650)
Other payments	280	-
(Increase)/decrease in operating assets		
Assets at fair value through profit or loss	(14,976,065)	(5,398,130)
Purchases of investment financial assets	(15,029,700)	-
Sale and repayment of investment financial assets	2,132,728	9,220,280
Amounts due from credit institutions	17,311,850	9,607,491
Net cash (used in)/provided from operating activities before income tax paid	(10,791,222)	13,874,194
Income tax paid	(650,598)	(258,781)
Net cash flows from operating activities	(11,441,820)	13,615,413
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash proceeds from the acquisition of subsidiaries (Note 15)	2,305,464	-
Purchases of property, plant and equipment and intangible assets	(1,198)	(999)
Net cash flows (used in) investing activities	2,304,266	(999)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	-	(1,095,397)
Net cash flows used in financing activities	-	(1,095,397)
Net (decrease)/ increase in cash and cash equivalents	(9,137,554)	12,519,017
Effect of changes in exchange rates on cash and cash equivalents	189,647	1,185,450
Cash and cash equivalents as at the beginning of the period	16,586,480	946,080
Cash and cash equivalents as at the end of the period (Note 7)	7,638,573	14,650,547

The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 9 to 36.

Kazyna Capital Management JSC
Consolidated Interim Condensed Statement of Changes in Equity for the six months ended 30 June 2021

KZT'000	Share capital	Unpaid capital	Revaluation reserve for investment financial assets	Retained earnings	Total
Balance at 1 January 2021	87,440,000	-	18,676	53,871,387	141,330,063
Total comprehensive income					
Profit for the period, unaudited	-	-	-	4,769,081	4,769,081
Other comprehensive income					
<i>Items that are or may be reclassified subsequently to profit or loss:</i>					
Net change in fair value, net of income tax, unaudited	-	-	(11,013)	-	(11,013)
Net change in fair value transferred to profit or loss, unaudited	-	-	(12,233)	-	(12,233)
Total other comprehensive loss, unaudited	-	-	(23,246)	-	(23,246)
Total comprehensive income for the period, unaudited	-	-	(23,246)	4,769,081	4,745,835
Transactions with owners recorded directly in equity					
Issue of shares related to acquisition of subsidiary, unaudited (Note s15)	19,269,423	(1,537,853)	-	(345,974)	17,385,596
Total transactions with owners, unaudited	19,269,423	(1,537,853)	-	(345,974)	17,385,596
Balance at 30 June 2021, unaudited	106,709,423	(1,537,853)	(4,570)	58,294,494	163,461,494

The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 9 to 36.

Казына Capital Management JSC
Consolidated Interim Condensed Statement of Changes in Equity for the six months ended 30 June 2021

KZT'000	Share capital	Revaluation reserve for investment financial assets	Retained earnings	Total
Balance at 1 January 2020	87,440,000	(238,272)	52,461,399	139,663,127
Total comprehensive income				
Loss for the period, unaudited	-	-	(19,571,521)	(19,571,521)
Other comprehensive income				
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Net change in fair value, net of income tax, unaudited	-	(70,613)	-	(70,613)
Net change in fair value transferred to profit or loss, unaudited	-	149,893	-	149,893
Total other comprehensive loss, unaudited	-	79,280	-	79,280
Total comprehensive loss for the period, unaudited	-	79,280	(19,571,521)	(19,492,241)
Transactions with owners recorded directly in equity				
Dividends declared and paid, unaudited	-	-	(1,095,397)	(1,095,397)
Total transactions with owners, unaudited	-	-	(1,095,397)	(1,095,397)
Balance at 30 June 2020, unaudited	87,440,000	(158,992)	31,794,481	119,075,489

The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 9 to 36.

1 Reporting entity

(a) Organisation and operations

Kazyna Capital Management JSC (the “Company”) and its subsidiaries (the “Group”) was established as a joint-stock company in accordance with the legislation of the Republic of Kazakhstan by the Government of the Republic of Kazakhstan on 7 March 2007. In accordance with the Resolution No.516 of the Committee of State Property and the Order No.630 of the Ministry of Finance of 25 May 2013, 100% of the Company’s shares were transferred from Sovereign Wealth Fund “Samruk-Kazyna” JSC to National Management Holding “Baiterek” JSC. The ultimate principal shareholder of the Group is the Government of the Republic of Kazakhstan.

The Group’s principal activity is the establishment of, and participation in, investment funds and investing in financial instruments.

The Company’s registered office is 55A Mangilik El, Yessil District, Nur-Sultan, Republic of Kazakhstan.

The principal subsidiaries are as follows:

Subsidiary	Country of incorporation	Principal activity	Ownership interest, %	
			Unaudited 30 June 2021	31 December 2020
Baiterek Venture Fund JSC *	Kazakhstan	Investment in private equity projects	100.00	100.00
BV Management LLP**	Kazakhstan	Investment portfolio management	100.00	100.00
Kazyna Seriktes B.V***	The Netherlands	Investments in funds	100.00	100.00
KCM Sustainable Development Fund C.V. (Subsidiary of Kazyna Seriktes B.V.) ****	The Netherlands	Investments in funds	100.00	100.00
		Support and maintenance of business incubators, development of venture capital financing and management of stressful		
QazTech Ventures JSC*****	Kazakhstan	assets	100.00	-

* Baiterek Venture Fund JSC was established by the Decision of the Board of Directors of the Group on 23 March 2014.

** In November 2018, 100% interest in BV Management LLP was repurchased from the subsidiary of Baiterek Venture Fund JSC.

*** In June 2018, the Group restructured the private equity funds and foreign subsidiaries MRIF CASP C.V. and Kazyna Investment Holding Cooperatief U.A. The Group had taken necessary measures to transfer the Group’s assets to the special purpose vehicle (SPV) Kazyna Seriktes B.V., which is a 100% subsidiary of the Group incorporated in the Netherlands. The assets of 10 PEFs were transferred (Falah Growth Fund L.P., Russian-Kazakh Nanotechnology Fund, Macquarie Russia & CIS Infrastructure Fund L.P., Kazakhstan Infrastructure Fund C.V., ADM Kazakhstan Capital Restructuring Fund C.V., Kazakhstan Growth Fund L.P., DBK Equity Fund C.V., Wolfensohn Capital Partners L.P., CITIC Kazyna Investment Fund I L.P. и Islamic Infrastructure Fund L.P.). Investments have been restructured to optimise the Group’s tax burden.

**** On 12 April 2019, an agreement for establishment of the Private Equity Fund “KCM Sustainable Development Fund C.V.” (a subsidiary of the Group) was signed. Kazyna Seriktes B.V. is a limited partner having the ownership of 99.9% while BV Management JSC is the general partner with the ownership of 0.1%.

As at 30 June 2021, the Company has determined that under IFRS 10 Kazakhstan Infrastructure Fund C.V. with 95% ownership is not a subsidiary as the Company does not have control over Kazakhstan Infrastructure Fund C.V. As at 31 December 2020, Kazakhstan Infrastructure Fund C.V. with 95% ownership was not also a subsidiary of the Company.

***** On 31 May 2021, the Management Board of National Management Holding “Baiterek” JSC (the “Holding”) made a decision (the Minutes No. 28/21) on the transfer of 100% of the ordinary shares of QazTech Ventures JSC to the Group.

(b) Kazakhstan and CIS business environment

The Group’s operations are primarily located in Kazakhstan. Consequently, the Group is exposed to the economic and financial markets of Kazakhstan which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan. Depreciation of the Kazakhstan Tenge, volatility in the global price of oil and the COVID-19 coronavirus pandemic have also increased the level of uncertainty in the business environment. The condensed consolidated interim financial statements reflect management’s assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Group.

The consolidated interim condensed financial statements reflect management’s assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Group. The future business environment may differ from management’s assessment.

2 Basis of accounting

(a) Statement of compliance with IAS 34 *Interim Financial Reporting*

The accompanying consolidated interim condensed financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s consolidated financial statements as at and for the year ended 31 December 2020 (“last annual financial statements”). Selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the last annual financial statements as at and for the year ended 31 December 2020. These consolidated interim condensed financial statements do not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

(b) Basis of measurement

The consolidated interim condensed financial statements are prepared on the historical cost basis except that financial instruments at fair value through profit or loss, certain investments in subsidiaries and investment financial assets are stated at fair value.

(c) Functional and presentation currency

The functional currency of the Company and its consolidated subsidiaries is the Kazakhstan tenge (KZT) as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of underlying events and circumstances relevant to them. KZT is also the presentation currency for the purposes of these consolidated interim condensed financial statements. Financial information presented in KZT is rounded to the nearest thousand.

(d) Use of estimates and judgments

In preparing these consolidated interim condensed financial statements, management has made judgement, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainties were the same as those that applied to the last annual financial statements.

Assumptions and estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated interim condensed financial statements for the period ended 30 June 2021 is included in the following notes:

- determining fair value of financial instruments measured at fair value through profit or loss – notes 9 and 18.

3 Significant accounting policies

The accounting policies applied in these consolidated interim condensed financial statements are the same as those the Group applied for preparation of the consolidated financial statements for the year ended 31 December 2020.

A number of new amendments and interpretations are effective from 1 January 2021, but they do not have a material effect on the Group's consolidated interim condensed financial statements.

4 Interest income calculated using the effective interest method

	Unaudited For six months ended 30 June 2021 KZT'000	Unaudited For six months ended 30 June 2020 KZT'000
Amounts due from credit institutions	444,579	644,408
Investment financial assets	281,132	430,457
Cash and cash equivalents	176,786	7,677
	902,497	1,082,542

5 Net foreign exchange gain

	Unaudited For six months ended 30 June 2021 KZT'000	Unaudited For six months ended 30 June 2020 KZT'000
Unrealised foreign exchange gain	550,726	1,928,651
Realised foreign exchange loss	(814)	(9,958)
	549,912	1,918,693

6 Income tax expense

	Unaudited For six months ended 30 June 2021 KZT'000	Unaudited For six months ended 30 June 2020 KZT'000
Current year tax expense	416,547	545,752
Movement in deferred tax assets/deferred tax liabilities due to origination and reversal of temporary differences and movement in loss allowance	(45,509)	(193,204)
Total income tax expense	371,038	352,548

The applicable tax rate for current and deferred tax is 20% (31 December 2020: 20%).

Reconciliation of effective tax rate for the six months ended 30 June 2021:

	Unaudited For six months ended 30 June 2021		Unaudited For six months ended 30 June 2020	
	KZT'000	%	KZT'000	%
Profit/(loss) before income tax	5,140,119	100	(19,218,973)	100
Income tax at the applicable tax rate	1,028,024	20	(3,843,795)	20
(Non-taxable income)/non-deductible losses on revaluation of assets at fair value through profit or loss	(675,368)	(13)	4,373,105	(23)
Non-taxable income from securities	(57,010)	(1)	(23,569)	-
Non-taxable income from reversal of provision	(29,871)	(1)	(15,772)	-
Other non-deductible expenses/ (non-taxable income) /	105,263	2	(137,421)	1
	371,038	7	352,548	(2)

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim consolidated condensed financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

7 Cash and cash equivalents

	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Cash in current accounts and short-term deposits with banks		
- rated from BBB- to BBB+	2,513,365	13,940,176
- rated from BB- to BB+	3,116,587	2,587,996
- not rated	163,170	58,308
Total cash in current accounts and short-term deposits with banks	5,793,122	16,586,480
Reverse repurchase agreements (reverse repo) with original maturity of less than three months - not rated	1,845,451	-
Total cash and cash equivalents	7,638,573	16,586,480

The credit ratings are presented by reference to the credit ratings of Standard and Poor's credit ratings agency or analogues of similar international agencies. No cash and cash equivalents are past due.

As at 30 June 2021, the Group entered into reverse repurchase agreements at Kazakhstan Stock Exchange. The subject matter of these agreements was the coupon bonds of the Ministry of Finance of the Republic of Kazakhstan, and Kazakhstan Sustainability Fund JSC with the fair value of KZT 1,798,072 thousand, unaudited (31 December 2020: none).

As at 30 June 2021 (unaudited), all cash and cash equivalents were allocated to Stage 1 (31 December 2020: Stage 1).

8 Amounts due from credit institutions

	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
- rated from BB- to BB+	13,863,517	30,744,576
- rated D	14,095,446	9,718,661
Total amounts due from credit institutions	27,958,963	40,463,237
Loss allowance for expected credit losses	(14,116,418)	(9,853,698)
Amounts due from credit institutions net of allowance for expected credit losses	13,842,545	30,609,539

The credit ratings are presented by reference to the credit ratings of Standard and Poor's credit ratings agency or analogues of similar international agencies.

KZT'000	Unaudited For the six months ended 30 June 2021	Unaudited For the six months ended 30 June 2020
Balance at the beginning of the reporting period	9,853,698	8,930,222
Net remeasurement of loss allowance	(141,042)	(63,655)
New financial assets originated or purchased as a result of the acquisition	4,241,185	-
Foreign exchange difference	162,577	501,028
Balance at the end of the reporting period	14,116,418	9,367,595

As at 30 June 2021, the Group considers the amounts due from Kazinvestbank JSC for the amount of KZT 5,149,610 thousand (unaudited), and from Delta Bank JSC for the amount of KZT 8,945,836 thousand (unaudited) as credit-impaired, which were allocated to Stage 3, unaudited (31 December 2020: KZT 5,090,756 thousand and KZT 4,627,905 thousand, respectively). In respect of these balances, the Group recognises allowance for lifetime expected credit losses for the total amount of KZT 14,095,446 thousand, unaudited (31 December 2020: KZT 9,718,661 thousand).

Except for the above balances, the Group recognises allowance for expected credit losses at an amount equal to 12-month ECL for other amounts due from credit institutions (Stage 1).

9 Assets at fair value through profit or loss

Assets at fair value through profit or loss comprise the following assets:

	Unaudited 30 June 2021 KZT'000	Ownership interest, %	31 December 2020 KZT'000	Ownership interest, %
Investments in joint ventures				
AstanaGas KMG JSC	40,150,121	50.0	40,150,121	50.0
Baikonyr Solar LLP	4,175,997	49.0	4,142,000	49.0
VTB Capital 12BF Innovation Fund L.P. (Portfolio of Kazyna Seriktes B.V.)	1,705,955	49.0	1,664,348	49.0
Makinskiy zavod teploizolyatsii LLP	744,405	49.0	750,000	49.0
Best Meat LLP	222,671	49.0	222,671	49.0
	46,999,149		46,929,140	

	Unaudited 30 June 2021 KZT'000	Ownership interest, %	31 December 2020 KZT'000	Ownership interest, %
Investments in associates				
CITIC-KAZYNA Investment L.P.	17,088,571	49.9	12,765,537	49.9
Kazakhstan Growth Fund L.P.	6,187,938	49.5	7,410,835	49.5
EMC Agro LLP	3,882,000	24.47	3,882,000	24.47
ADM KCRF L.P.	3,651,197	49.5	3,604,038	49.5
KTK Service LLP	3,600,000	49.0	-	-
PC KazrostEngineering Ltd	3,289,928	32.0	1,177,882	32.0
KazMyaso LLP	1,777,329	49.0	1,777,329	49.0
Z-Invest LLP	1,650,000	49.0	-	-
Temirbeton-1 LLP	358,744	22.0	382,666	22.0
Burundai Mineral Water LLP	173,446	45.3	163,757	45.3
	41,659,153		31,164,044	
Other financial assets (equity)				
Kazakhstan Infrastructure Fund C.V.	34,080,886	95.2	23,784,515	95.2
AITAS LUX S.A.R.L	6,988,563	7.1	6,889,713	7.1
500 Startups V, L.P. (portfolio of QazTech Ventures JSC)	2,304,505	7.5	-	-
CAEPCO JSC	2,053,450	1.5	2,053,450	1.5
Quest Ventures Asia Fund II L.P. (portfolio of QazTech Ventures JSC)	1,805,919	34.0	-	-
BRBAPK LLP	1,018,761	8.3	1,000,000	8.3
DBK Equity Fund	868,611	3.0	591,572	3.0
Falah Growth Fund L.P.	352,469	10.0	346,719	10.0
TTS Astana-2007 K LLP	240,000	7.2	240,000	7.2
Wellington Partners Ventures III Fund L.P. (portfolio of QazTech Ventures JSC)	184,392	5.1	-	-
BV Management LLP	159,883	100.0	158,592	100.0
Islamic Infrastructure Fund Limited Partnership	107,803	1.3	39,204	1.3
Almex-Baiterek Fund LLC	9,877	7.0	10,607	7
Flagship Ventures Fund 2004 L.P. (portfolio of QazTech Ventures JSC)	7,272	6.6	-	-
Wolfenson Capital Partners L.P.	-	-	1,429,084	9.9
MRIF CASP C.V.	-	-	587,741	9.1
	50,182,391		37,131,197	
Other financial assets (debt)				
AOM Metal B.V.	3,507,902		3,119,229	
MepAHC LLP	3,343,288		3,256,349	
Oil House "Astana Oil" LLP (portfolio of KCM SDFI)	3,333,490		3,693,653	
Kazpoligraf LLP	2,888,131		2,664,825	
OralMunaiProm LLP	2,596,580		2,635,469	
KAZ GREEN ENERGY LLP	2,204,109		2,367,154	
Karaganda Kus LLP	1,602,341		1,516,374	
Aqua Faktoriya	1,052,705		1,080,054	
Agromin LLP	900,747		1,013,131	
Temirbeton-1 LLP	681,191		734,637	
Alex Astana LLP	675,620		735,156	
KazMyaso LLP	478,563		469,525	
Makinsky Heat-Insulation Producing Plant LLP	283,864		491,292	
	23,548,531		23,776,848	
Total assets at fair value through profit or loss	162,389,224		139,001,229	

During six-month period ended 30 June 2021 the amount of assets at fair value through profit or loss has increased by KZT 4,302,088 thousand (unaudited) related to the purchase of the subsidiary QazTech Ventures JSC (Note 15).

As at 30 June 2021 the Group's interest in Quest Ventures Asia Fund II L.P. ("Fund") is equal to 34.0% (unaudited). In accordance with the partnership agreement, the fund is managed by the General Partner without any intervention from the limited partners.

The Group, as a limited partner, cannot be involved in decision-making or influence the operations of the Fund. In accordance with the Agreement, the Group's representative may participate in the work of investment committee only as an observer. Moreover, the Group has no right to make unilateral decisions to reappoint the General Partner, and this decision can only be made by general consent of no less than 50% of all limited partners. As stated in the paragraph above, as required by IAS 28 *Investments in Associates and Joint Ventures*, the Group believes that it has no significant influence over the Fund as at 31 December 2020 and accounts for equity investments in the Fund in accordance with the requirements of IFRS 9 *Financial Instruments*.

10 Investment financial assets

	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Investment debt instruments measured at fair value through other comprehensive income	15,002,273	2,183,439
Investment debt instruments measured at amortised cost	12,547,446	1,978,614
Investment debt instruments measured at fair value through profit or loss	336,015	-
Total investment financial assets	27,885,734	4,162,053
	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Investment debt instruments measured at fair value through other comprehensive income		
- Government bonds		
Treasury bills of the Ministry of Finance of the Republic of Kazakhstan	6,482,199	-
Total Government bonds	6,482,199	-
- Corporate bonds		
- rated from BBB- to BBB+	8,520,074	-
Total corporate bonds	8,520,074	-
- Corporate bonds of banks		
- rated from BB- to BB+	-	2,183,439
Total corporate bonds of banks	-	2,183,439
Total investment debt instruments measured at fair value through other comprehensive income	15,002,273	2,183,439
Gross carrying amount	15,006,522	2,178,491
	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Investment debt instruments measured at amortised cost		
Notes of the National Bank of the Republic of Kazakhstan		
Notes of the National Bank of the Republic of Kazakhstan	10,325,532	-
Total Notes	10,325,532	-
POCI-assets		
Bonds of First Heartland Jusan Bank JSC (POCI-assets)	2,221,914	1,978,614
Total POCI-assets	2,221,914	1,978,614
Total investment debt instruments measured at amortised cost	12,547,446	1,978,614

	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Investment debt instruments measured at fair value through profit or loss		
-Corporate bonds	336,015	-
Total investment debt instruments measured at fair value through profit or loss	336,015	-

As at 30 June 2021, all investment debt instruments measured at fair value through other comprehensive income were allocated to Stage 1, unaudited (31 December 2020: Stage 1). As at 30 June 2021, unaudited, and 31 December 2020 investment debt instruments measured at amortised cost were allocated to Stage 1, except bonds of First Heartland Jusan Bank JSC, which were classified as POCI-assets.

11 Debt securities issued

As at 30 June 2021, debt securities issued in the amount of KZT 40,152,744 thousand, unaudited (31 December 2020: KZT 40,150,736 thousand) comprise unquoted bonds with maturity upon demand and coupon interest of 0.01% per annum. Total maturity of bonds is 15 years.

12 Investment related commitments

The Group purchases liabilities for its portfolio through its subsidiary Seriktes Kazyna B.V. The Group diversifies its portfolio of investments across managers, underlying industries, countries, and investment stages.

The remaining contractual amounts net of paid liabilities are set out in the following table:

	Unaudited 30 June 2021 KZT'000	31 December 2020 KZT'000
Contractual amount		
Falah Growth Fund LP	16,991,947	16,725,947
CITIC-Kazyna Investment Fund LP	14,566,538	14,328,920
Kazakhstan Infrastructure Fund C.V.	11,822,351	24,170,029
KCM Sustainable Development Fund I	5,667,241	5,824,324
Da Vinci	4,278,900	-
VTB Capital Innovation Fund L.P.	2,672,551	2,628,955
Quest Ventures Asia Fund II L.P.	2,140,711	-
500 Startups V, L.P.	2,139,000	-
Islamic Infrastructure Fund Limited Partnership	478,074	470,275
ADM Kazakhstan Capital Restructuring Fund CV	391,840	385,448
Kazakhstan Growth Fund	279,518	274,958
DBK Equity Fund C.V.	115,696	523,364
Wolfenson Capital Partners LP	-	1,914,404
Macquarie Renaissance Infrastructure Fund	-	1,811,147
Aureos Central Asia Fund LLC	-	92,914
	61,544,367	69,150,685

In accordance with the foundation agreements of the private equity funds, if the Group fails to pay the amount of capital commitments after the manager issues a request for payment, the Group may be subject to sanctions, including delaying the payment of interest, suspension of income distributions, temporary denial of the right to participate in the corporate management of funds and forced sale of the Group's share to co-investors or third parties. As at 30 June 2021, unaudited, and 31 December 2020, the Group has no overdue investment related commitments.

13 Share capital and reserves

Issued capital

As at 30 June 2021, the authorised share capital comprises 55,000,001 ordinary shares, unaudited (31 December 2020: 55,000,000). Issued and paid-up share capital comprises 53,550,001 ordinary shares (31 December 2020: 55,000,000), of which 1 share has been partially paid (Note 15).

During six-month ended 30 June 2021 1 ordinary share with a value of KZT 19,269,423 thousand (unaudited) was issued in relation to the acquisition subsidiaries (Note 15).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at annual and general meetings of the Group.

14 Contingencies

(a) Insurance

The insurance industry in the Republic of Kazakhstan is in a developing state and many forms of insurance protection common in other parts of the world are not yet generally available.

The Group does not have full coverage for its premises and equipment, business interruption, or third party liability in respect of property or environmental damage arising from accidents on its property or relating to operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the Group's operations and financial position.

(b) Taxation contingencies

The taxation system in Kazakhstan is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities, including opinions with respect to IFRS treatment of revenues, expenses and other items in the consolidated interim condensed financial statements. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines and interest charges.

A tax year generally remains open for review by the tax authorities for five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

These circumstances may create tax risks in Kazakhstan that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated interim condensed financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

15 Acquisition of QazTech Ventures JSC

During six-month ended 30 June 2021 the decision was made to issue 1 ordinary share with a value of KZT 19,269,423 thousand (unaudited) in favor of Holding as payment for the purchase of 100% shares of QazTech Ventures JSC and 97.7% shares of Kazakhstan Project Preparation Fund LLP.

On 30 June 2021 control over QazTech Ventures JSC was transferred to the Group. The share capital of the Group was increased by KZT 19,269,423 thousand (unaudited) after the share placement. Net assets of QazTech Ventures JSC on the transfer were equal to KZT 17,385,596 thousand (unaudited). During six-month ended 30 June 2021 the Group has recognized the difference between nominal value of issued shares and net balance value of purchased assets of QazTech Ventures JSC in the amount of KZT 1,883,827 thousand (unaudited) in equity: the amount equal to KZT 1,537,853 thousand (unaudited) was recognized in unpaid capital and the amount equal to KZT 345,974 thousand (unaudited) was recognized in retained earnings.

As at 30 June 2021 the transaction of transferring assets of Kazakhstan Project Preparation Fund LLP to the Group was not completed.

The following table summarises the balance amounts of net assets purchased by the Group:

KZT'000	Unaudited Balance amount as at 30 June 2021
Non-current assets	
Financial assets measured at fair value through profit or loss (Note 9)	4,302,088
Investment securities	327,611
Property, plant and equipment	22,922
Investment property	135,381
Intangible assets	12,615
Deferred tax assets	29,290
Total non-current assets	4,829,907
Current assets	
Cash and cash equivalents	2,305,464
Current tax asset	3,826
Other current assets	111,070
Investment debt instruments measured at amortised cost	10,325,532
Total current assets	12,745,892
	17,575,799
Current liabilities	
Other liabilities	190,203
Total current liabilities	190,203
Total net assets	17,385,596

16 Related party transactions

(a) Control relationship

The Group's parent company is NMH "Baiterek" JSC. The party with ultimate control over the Group is the Government of the Republic of Kazakhstan.

(b) Transactions with members of the Board of Directors and Management Board

Total remuneration included in personnel expenses for the six months ended 30 June 2021 and 30 June 2020 is as follows:

	Unaudited For the six months ended 30 June 2021 KZT '000	Unaudited For the six months ended 30 June 2020 KZT '000
Short-term employee benefits	94,083	78,660

These amounts comprise cash and non-cash remuneration of the members of the Board of Directors and Management Board.

(c) Transactions with other related parties

Transactions with government-related entities

The Group works with a number of entities that are controlled by the Government of Kazakhstan. The Group applies the exemption in IAS 24 *Related Party Disclosures* that allows to present reduced related party disclosures regarding transactions with government-related entities.

Other related parties comprise the companies controlled by the Government, national companies and the national companies' subsidiaries. As at 30 June 2021, the outstanding balances and average effective interest rates and related profit or loss amounts of transactions for period ended 30 June 2021 with other related parties are as follows:

	Investments in joint ventures		Investments in associates		Fellow subsidiaries		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	
Consolidated statement of financial position as at 30 June 2021									
Assets									
Cash and cash equivalents	-	-	-	-	-	-	1,845,451	-	1,845,451
Assets at fair value through profit or loss									
- Investments in joint ventures	46,999,149	-	-	-	-	-	-	-	46,999,149
- Investments in associates	-	-	41,659,153	-	-	-	-	-	41,659,153
- Other financial assets	283,864	10.0	1,159,754	10.0	3,507,902	12.0	-	-	4,951,520
Investment financial assets	-	-	-	-	-	-	25,327,805	5.3	25,327,805
Deferred tax asset	-	-	-	-	-	-	2,427,948	-	2,427,948
Current tax asset	-	-	-	-	-	-	1,610,495	-	1,610,495
Other financial assets	-	-	-	-	5,025	-	68,234	-	73,259
Liabilities									
Derivative financial instruments	-	-	-	-	(12,090,895)	-	-	-	(12,090,895)
Debt securities issued	-	-	-	-	-	-	(40,152,744)	0.01	(40,152,744)
Other liabilities	-	-	-	-	(140,202)	-	(41,943)	-	(182,145)

	Investments in joint ventures		Investments in associates		Fellow subsidiaries		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	
Consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2021									
Interest income	-	-	-	-	-	-	33,956	-	33,956
Interest expense	-	-	-	-	-	-	(2,008)	-	(2,008)
Net gain on assets at fair value through profit or loss	82,354		5,707,878		388,672		-		6,178,904
Net loss on derivative financial instruments	-	-	-	-	54,139	-	-	-	54,139
Net foreign exchange loss	-	-	-	-	-	-	(5,305)	-	(5,305)
General and administrative expenses	-	-	-	-	(56,977)	-	(541)	-	(57,518)
Income tax expense	-	-	-	-	-	-	(371,038)	-	(371,038)

As at 31 December 2020, the outstanding balances and average effective interest rates and related profit or loss amounts of transactions with other related parties for the six months ended 30 June 2020 are as follows:

	Investments in joint ventures		Investments in associates		Fellow subsidiaries		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	
Consolidated statement of financial position as at									
31 December 2020									
Assets									
Assets at fair value through profit or loss									
- Investments in joint ventures	46,929,140	-	-	-	-	-	-	-	46,929,140
- Investments in associates	-	-	31,164,044	-	-	-	-	-	31,164,044
- Other financial assets	491,292	10.0	469,526	10.0	3,119,229	12.0	-	-	4,080,047
Deferred tax asset	-	-	-	-	-	-	2,353,147	-	2,353,147
Current tax asset	-	-	-	-	-	-	1,295,775	-	1,295,775
Liabilities									
Derivative financial instruments	-	-	-	-	(12,145,034)	-	-	-	(12,145,034)
Debt securities issued	-	-	-	-	-	-	40,150,736	0.01	40,150,736
Other financial liabilities	-	-	-	-	(130,683)	-	-	-	(130,683)

The majority of balances resulting from transactions with related parties mature within one year. Transactions with related parties are not secured.

	Investments in joint ventures		Investments in associates		Fellow subsidiaries		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	KZT'000	Nominal average interest rate	
Consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2020									
Interest income	-	-	-	-	21,356	-	168,409	-	189,765
Net gain on assets at fair value through profit or loss	(1,264,156)	-	(6,999,450)	-	-	-	-	-	(8,263,606)
Net loss on derivative financial instruments	-	-	-	-	(576,462)	-	-	-	(576,462)
Net foreign exchange gain (loss)	-	-	-	-	(83,669)	-	765,693	-	682,024
General and administrative expenses	-	-	-	-	(57,136)	-	-	-	(57,136)
Income tax expense	-	-	-	-	-	-	(352,548)	-	(352,548)

17 Risk management, corporate governance, and internal control

Management of risk is fundamental to the business of the Group and is an essential element of the Group's operations. The major risks faced by the Group are those related to market risk, credit risk and liquidity risk.

As at 30 June 2021, there were significant changes in the interest rate risk, foreign currency risk, credit risk and liquidity risk as compared with 31 December 2020.

Other price risk

Other price risk is the risk that the fair value or future cash flows of an instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all similar instruments traded in the market. Other price risk arises from the Group's investments in equity instruments, including shares of private equity funds, whose valuation is based on the valuation of the underlying portfolio companies of those private equity funds.

The Group invests in such assets in order to take advantage of their long-term growth. All investments present a risk of loss of capital. All of the private equity funds and their underlying investments are subject to the risks inherent in their industries. Moreover, established markets do not exist for these holdings, and they are therefore considered illiquid.

The Group mainly relies on the management of the private equity funds in mitigation of the price risk. The management of the private equity funds moderates this risk through careful selection and review of the business and operational matters before the investment decision are implemented. They also maintain regular contact with the management of the underlying companies. The performance of the management of the private equity funds are reported to the Group on a quarterly basis. As at 30 June 2021, these reports on performance of the private equity funds management for the 1st quarter of 2021 are accessible for the Group.

The Group's profit and loss and equity is affected by changes in the fair value of its investments in private equity funds. For example, a 10% increase in the equity prices of the funds, would increase profit or loss and equity by KZT 13,884,069 thousand (unaudited) for the six-month period ended 30 June 2021 (six-month period ended 30 June 2020: KZT 9,951,966 thousand, unaudited). A 10% decrease in these prices would have an equal and opposite effect.

Moreover, the Group's profit and loss and equity is affected by changes in the fair value of its debt financial instruments measured at fair value through profit or loss. For example, a 1% increase in the discount rate would have decreased profit or loss and equity by KZT 584,208 thousand for the six-month period ended 30 June 2021, unaudited (six-month period ended 30 June 2020: KZT 548,828 thousand, unaudited).

The Group is bound by commitments and invests in private equity funds that are not traded in an active market and are therefore considered non-liquid. In accordance with the Group's commitments, the private equity funds may call on such commitments from the Company with a notice period on average being 10 days. The amount of these calls may exceed the available cash and cash equivalents at any point in time.

18 Fair values of financial instruments

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgment, the fair value should not be interpreted as being realisable in an immediate sale of the assets or settlement of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques. The objective of valuation techniques is to arrive at a fair value determination that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives such as interest rate swaps.

During 2015, the Group entered into a cross currency swap with Development Bank of Kazakhstan with maturity in 2020 to deliver USD 50,000 thousand in exchange for KZT 9,382,500 thousand. The Group received 8.7% p.a. interest prepayment of KZT 816,278 thousand. By the decision of the Board of Directors #8/20 dated 15 July 2020, a transaction was entered into to prolong a currency swap contract with Development Bank of Kazakhstan for a period of more than 24 months. As at 30 June 2021 the fair value of this swap was KZT 12,090,895 thousand, unaudited (31 December 2020: KZT 12,145,034 thousand).

To determine the fair value of this swap, management used 10.56% for KZT-denominated cash flow (2020: 10.82% for KZT-denominated cash flow) and 1.5% for USD-denominated cash flow (2020: 1.67% for USD-denominated cash flow) based on the observable market data information. The fair value of this swap is categorised into Level 2 of the fair value hierarchy.

To the extent that the difference between KZT and USD rates increases by 1%, a fair value of a derivative financial instrument would be KZT 91,313 thousand lower (increase in liabilities).

For more complex instruments, such as investments in private equity funds, the Group uses annual audited financial statements and quarterly management reports of the basic investment funds which use proprietary valuation models. For determination of fair values of investments in private equity funds as at 30 June 2021 and 31 December 2020 the Group engaged an independent valuation company which also used its own valuation models. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Example of instruments involving significant unobservable inputs include equity securities for which there is no active market.

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 30 June 2021 (unaudited):

KZT'000	Financial instruments measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
30 June 2021						
Financial assets measured at fair value						
Debt securities	23,884,546	-	15,002,273	-	38,886,819	38,886,819
Equity securities	50,182,391	-	-	-	50,182,391	50,182,391
	74,066,937	-	15,002,273	-	89,069,210	89,069,210
Financial assets not measured at fair value						
Cash and cash equivalents	-	7,638,573	-	-	7,638,573	7,638,573
Amounts due from credit institutions	-	13,842,545	-	-	13,842,545	13,842,545
Debt securities	-	12,547,446	-	-	12,547,446	12,995,536
Other financial assets	-	5,025	-	-	5,025	5,025
	-	34,033,589	-	-	34,033,589	34,481,679
Financial liabilities measured at fair value						
Cross-currency interest rate swap	12,090,895	-	-	-	12,090,895	12,090,895
	12,090,895	-	-	-	12,090,895	12,090,895
Financial liabilities not measured at fair value						
Debt securities issued	-	-	-	40,152,744	40,152,744	40,152,744
Other financial liabilities	-	-	-	184,731	184,731	184,731
	-	-	-	40,337,475	40,337,475	40,337,475

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2020:

KZT'000	Financial instruments measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial liabilities measured at amortised cost	Total carrying amount	Fair value
31 December 2020					
Financial assets measured at fair value					
Debt securities	23,776,848	2,183,439	-	25,960,287	25,960,287
Equity securities	37,131,197	-	-	37,131,197	37,131,197
	60,908,045	2,183,439	-	63,091,484	63,091,484
Financial assets not measured at fair value					
Cash and cash equivalents	-	-	-	16,586,480	16,586,480
Amounts due from credit institutions	-	-	-	30,609,539	30,609,539
Debt securities	-	-	-	1,978,614	2,580,122
Other financial assets	-	-	-	18,757	18,757
	-	-	-	49,193,390	49,794,898
Financial liabilities measured at fair value					
Cross-currency interest rate swap	12,145,034	-	-	12,145,034	12,145,034
	12,145,034	-	-	12,145,034	12,145,034
Financial liabilities not measured at fair value					
Debt securities issued	-	-	40,150,736	40,150,736	40,150,736
Other liabilities	-	-	210,072	210,072	210,072
	-	-	40,360,808	40,360,808	40,360,808

(b) Fair value hierarchy

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- Level 1: quoted prices (unadjusted) in an active market for identical instruments.
- Level 2: inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes all instruments where the valuation technique includes quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's measurement. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The Group has a control framework with respect to the measurement of fair values. This framework includes engagement of independent valuation by qualified appraiser which directly reports to the Chief Financial Officer, and which has overall responsibility for independently verifying the results of trading and investment operations and all significant fair value measurements. Specific controls include:

- verification of observable pricing;
- a review and approval process for new models and changes to models;
- quarterly calibration and back testing of models against observed market transactions;
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared to previous period.

The table below analyses financial instruments measured at fair value at 30 June 2021, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated interim condensed statement of financial position:

KZT'000	Level 1	Level 2	Level 3	Total
Assets at fair value through profit or loss				
- Investments in joint ventures	-	-	46,999,149	46,999,149
- Investments in associates	-	-	41,659,153	41,659,153
- Equity financial instruments			50,182,391	50,182,391
- Debt instruments			23,548,531	23,548,531
- Derivative liabilities		(12,090,895)		(12,090,895)
Investment financial assets				
- Debt instruments	15,002,273	12,883,461	-	27,885,734
	15,002,273	792,566	162,389,224	178,184,063

The table below analyses financial instruments measured at fair value at 31 December 2020, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position:

KZT'000	Level 1	Level 2	Level 3	Total
Assets at fair value through profit or loss				
- Investments in joint ventures	-	-	46,929,140	46,929,140
- Investments in associates	-	-	31,164,044	31,164,044
- Equity instruments	-	-	37,131,197	37,131,197
- Debt instruments	-	-	23,776,848	23,776,848
- Derivative liabilities	-	(12,145,034)	-	(12,145,034)
Investment financial assets	-	-	-	-
- Debt instruments	2,183,439	-	-	2,183,439
	2,183,439	(12,145,034)	139,001,229	129,039,634

The following table shows a reconciliation for the six months ended 30 June 2021 for fair value measurements in Level 3 of the fair value hierarchy:

KZT'000	Joint ventures	Associates	Other financial assets
Balance at the beginning of the period	46,929,140	31,164,044	60,908,045
Financial assets acquired through an acquisition, unaudited	-	-	4,302,088
Net gain recognised in profit or loss, unaudited	70,009	5,707,879	(1,668,046)
Acquisitions, unaudited	-	5,250,000	13,194,573
Disposals, unaudited	-	(462,770)	(3,005,738)
Balance at the end of the period, unaudited	46,999,149	41,659,153	73,730,922

The following table shows a reconciliation for the six months ended 30 June 2020 for fair value measurements in Level 3 of the fair value hierarchy:

KZT'000	Joint ventures	Associates	Other financial assets
Balance at the beginning of the period	47,465,606	33,476,165	52,631,934
Net gain recognised in profit or loss, unaudited	(1,308,594)	(6,982,399)	(12,677,765)
Acquisitions, unaudited	-	-	10,663,101
Disposals, unaudited	-	(1,872,055)	(3,392,916)
Balance at the end of the period, unaudited	46,157,012	24,621,711	47,224,354

The Group's investments in equity investments categorised into Level 3 comprise holdings in investment funds and non-controlling interests in other companies. These funds invest primarily in private equity, through purchasing unlisted ordinary shares of businesses in emerging markets (predominantly Kazakhstan and Russia). To determine the fair value of the Group's holdings in these investment funds as at 30 June 2021 and 31 December 2020, the Group engaged an independent appraiser.

The approach applied by the appraiser was to estimate the fair value of the underlying portfolio investments (businesses) held by each fund, and then calculate the Group's share in the value of this business. As a cross check, the appraiser also reviews fair values of investments as reported by each of the funds and assesses the basis for material differences between the appraised fair value and fair values reported by the funds' managing companies.

A number of valuation techniques were used by the appraiser to value the underlying portfolio investments, depending on the nature of the business concerned, the availability of market comparables, and the stage in the business's life cycle.

The following table shows the most significant portfolio investments held by the investment funds, the valuation approach used to value these portfolio investments, and the sensitivity of the appraisers' fair value estimate to changes in key assumptions.

The table below sets out information about significant unobservable inputs used as at the period-end in the measuring of the most significant investments, including funds' portfolio investments categorised into Level 3 of the fair value hierarchy as at 30 June 2021, together with a sensitivity analysis for changes in these inputs which the Group considered reasonably possible at the reporting date, assuming all other variables remain unchanged.

Industry in which company operates	Unaudited		Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Unaudited Fair value measurement sensitivity to unobservable inputs KZT'000
	Fair value of the Group's share	KZT'000				
Power engineering		22,513,090	Income approach	Discounted cash flows	+/- 5%	1,125,655
		2,204,109	Income approach	Discounted cash flows	+1%	(75,579)
		106,177	Income approach	Discounted cash flows	+/- 5%	5,309
		27,847	Income approach	Discounted cash flows	+/- 5%	1,392
Alternative power engineering		8,954,615	Comparative approach	EBITDA/multiplier	+/- 5%	447,731
		4,175,997	Cost approach	According to historical costs	+/- 5%	208,800
		166,088	Cost approach	According to historical costs	+/- 5%	8,304
		40,150,121	Cost approach	According to historical costs	+/- 5%	2,007,506
Transport and logistics		10,764,254	Income approach	Discounted cash flows	+/- 5%	538,213
		3,956,938	Comparative approach	EBITDA/multiplier	+/- 5%	197,847
		3,600,000	Cost approach	According to historical costs	+/- 5%	180,000
		3,577,724	Income approach	Discounted cash flows	+/- 5%	178,886
		3,289,928	Cost approach	According to historical costs	+/- 5%	164,496
		2,759,842	Cost approach	According to historical costs	+/- 5%	137,992
		1,922,102	Comparative approach	EBITDA/multiplier	+/- 5%	96,105
		675,620	Income approach	Discounted cash flows	+1%	(17,792)
		80,946	Cost approach	Adjustment for net asset value	+/- 5%	4,047

Industry in which company operates	Unaudited Fair value of the Group's share KZT'000	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Unaudited Fair value measurement sensitivity to unobservable inputs KZT'000
Real estate	3,343,288	Income approach	Discounted cash flows	+1%	(77,397)
	240,000	Cost approach	According to historical costs	+/- 5%	12,000
Processing industry	4,268,415	Income approach	Discounted cash flows	+/- 5%	213,421
	3,333,490	Income approach	Discounted cash flows	+1%	(37,841)
	2,888,131	Income approach	Discounted cash flows	+1%	(96,953)
	2,596,580	Income approach	Discounted cash flows	+1%	(46,835)
	744,405	Income approach	Discounted cash flows	+/- 5%	37,220
	681,191	Income approach	Discounted cash flows	+1%	(10,647)
	358,744	Income approach	Discounted cash flows	+/- 5%	17,937
	283,864	Income approach	Discounted cash flows	+1%	(592)
	199,450	Cost approach	According to historical costs	+/- 5%	9,973
	Natural resources	939,378	Comparative approach	EBITDA/ multiplier	+/- 5%
1,650,000		Cost approach	According to historical costs	+/- 5%	82,500
Medical diagnostics	1,096,094	Cost approach	Adjustment for net asset value	+/- 5%	54,805
	793,950	Comparative approach	Stock-exchange quotations	+/- 5%	39,697
	173,445	Cost approach	According to historical costs	+/- 5%	8,672
	105,061	Comparative approach	EBITDA/ multiplier	+/- 5%	5,253

Industry in which company operates	Unaudited Fair value of the Group's share KZT'000	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Unaudited Fair value measurement sensitivity to unobservable inputs KZT'000
	7,275,368	Income approach	Discounted cash flows	+/- 5%	363,768
	3,882,000	Cost approach	According to historical costs	+/- 5%	194,100
	2,000,000	Cost approach	According to historical costs	+/- 5%	100,000
	1,602,341	Income approach	Discounted cash flows	+1%	(10,456)
	1,052,705	Income approach	Discounted cash flows	+1%	(40,368)
	1,018,761	Cost approach	According to historical costs	+/- 5%	50,938
	900,747	Income approach	Discounted cash flows	+1%	(12,719)
	661,676	Cost approach	According to historical costs	+/- 5%	33,084
	478,562	Income approach	Discounted cash flows	+1%	(20,091)
	305,955	Cost approach	According to historical costs	+/- 5%	15,298
	51,075	Income approach	Discounted cash flows	+/- 5%	2,554
IT sector	4,302,088	Income approach	Discounted cash flows	+/- 5%	215,104
Telecommunication services	46,601	Income approach	Discounted cash flows	+/- 5%	2,330
Entertainment industry	507,260	Comparative approach	EBITDA/ multiplier	+/- 5%	25,363
	398,229	Income approach	Discounted cash flows	+/- 5%	19,911
	362,816	Comparative approach	EBITDA/ multiplier	+/- 5%	18,141
Other	3,507,902	Income approach	Discounted cash flows	+1%	(136,938)
	1,414,254	-	-	+/- 5%	70,713
Total	162,389,224				

The table below sets out information about significant unobservable inputs used as at the year-end in the measuring of the most significant investments, including private equity funds' portfolio investments categorised into Level 3 of the fair value hierarchy as at 31 December 2020, together with a sensitivity analysis for changes in these unobservable inputs which the Group considered reasonably possible at the reporting date, assuming all other variables remain unchanged.

<u>Industry in which company operates</u>	<u>Fair value of the Group's share</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Range of estimates (weighted average) for unobservable input</u>	<u>Fair value measurement sensitivity to unobservable inputs</u>
	22,513,090	Income approach	Discounted cash flows	+/- 5%	1,125,655
	26,411	Income approach	Discounted cash flows	+/- 5%	1,321
	38,281	Income approach Comparative approach	Discounted cash flows	+/- 5%	1,914
<u>Power engineering</u>	471,544		Stock-exchange quotations	+/- 5%	23,577
	7,853,681	Comparative approach	EBITDA/ multiplier	+/- 5%	392,684
	124,287	Cost approach	According to historical costs	+/- 5%	6,214
<u>Alternative power engineering</u>	4,142,000	Income approach	Discounted cash flows	+/- 5%	207,100
	40,150,121	Income approach	Discounted cash flows	+/- 5%	2,007,506
	4,454,394	Comparative approach	EBITDA/ multiplier	+/- 5%	222,720
<u>Transport and logistics</u>	3,522,235	Income approach	Discounted cash flows	+/- 5%	176,112

Industry in which company operates	Fair value of the Group's share	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Fair value measurement sensitivity to unobservable inputs
	3,407,435	Income approach	Discounted cash flows	+/- 5%	170,372
	1,890,507	Comparative approach	EBITDA/multiplier	+/- 5%	94,525
Transport and logistics	1,177,882	Cost approach	According to historical costs	+/- 5%	58,894
	735,156	Income approach	Discount rate	+1%	(14,032)
	108,513	Cost approach	Adjustment for net asset value	+/- 5%	5,426
Real estate	3,256,349	Income approach	Discount rate	+1%	(94,154)
	240,000	Cost approach	According to historical costs	+/- 5%	12,000
	3,693,653	Income approach	Discount rate	+/- 5%	(130,696)
	3,359,088	Income approach	Discounted cash flows	+/- 5%	167,954
	2,664,825	Income approach	Discount rate	+1%	(99,408)
Processing industry	2,635,469	Income approach	Discount rate	+1%	(55,842)
	2,367,153	Income approach	Discounted cash flows	+/- 5%	118,358
	1,241,292	Income approach	Discounted cash flows	+/- 5%	62,065
	1,117,303	Income approach	Discounted cash flows	+/- 5%	55,865
	196,197	Cost approach	According to historical costs	+/- 5%	9,810

Industry in which company operates	Fair value of the Group's share	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Fair value measurement sensitivity to unobservable inputs
Natural resources	909,627	Comparative approach	EBITDA/multiplier	+/- 5%	45,481
	1,293,428	Comparative approach	EBITDA/multiplier	+/- 5%	64,671
Medical diagnostics	1,077,651	Cost approach	Adjustment for net asset value	+/- 5%	53,883
	572,405	Comparative approach	Stock-exchange quotations	+/- 5%	28,620
	163,757	Cost approach	According to historical costs	+/- 5%	8,188
	7,172,461	Income approach	Discounted cash flows	+/- 5%	358,623
	3,882,000	Income approach	Discounted cash flows	+/- 5%	194,100
	2,469,526	Cost approach	According to historical costs	+/- 5%	123,476
Agriculture	1,566,615	Income approach	Discounted cash flows	+/- 5%	78,331
	1,080,054	Income approach	Discounted cash flows	+/- 5%	54,003
	1,000,000	Income approach	Discounted cash flows	+/- 5%	50,000
	1,013,131	Income approach	Discount rate	+1%	(15,654)
	650,569	Cost approach	According to historical costs	+/- 5%	32,528
	300,965	Cost approach	According to historical costs	+/- 5%	15,048
Electrical industry	527,381	Income approach	Discounted cash flows	+/- 5%	26,369

Industry in which company operates	Fair value of the Group's share	Valuation technique	Significant unobservable inputs	Range of estimates (weighted average) for unobservable input	Fair value measurement sensitivity to unobservable inputs
Telecommunication services	40,416	Income approach	Discounted cash flows	+/- 5%	2,012
Financial services	10,495	Income approach	Discounted cash flows	+/- 5%	525
	1,403,642	Comparative approach	EBITDA/multiplier	+/- 5%	70,182
Entertainment industry	1,698,056	Comparative approach	EBITDA/multiplier	+/- 5%	84,903
	695,773	Comparative approach	EBITDA/multiplier	+/- 5%	34,789
Other	86,411	-	-	-	174,726
Total	139,001,229				

The following table analyses the fair value of financial instruments not measured at fair value as at 30 June 2021, by the level in the fair value hierarchy into which each fair value measurement is categorised:

Unaudited KZT'000	Level 2	Total fair value	Total carrying amount
Assets			
Cash and cash equivalents	7,638,573	7,638,573	7,638,573
Amounts due from credit institutions	13,842,545	13,842,545	13,842,545
Investment financial assets	12,995,536	12,995,536	12,547,446
Other financial assets	5,025	5,025	5,025
Debt securities issued	(40,152,744)	(40,152,744)	(40,152,744)
Other financial liabilities	184,731	184,731	184,731

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised as at 31 December 2020:

KZT'000	Level 2	Total fair value	Total carrying amount
Assets			
Cash and cash equivalents	16,586,480	16,586,480	16,586,480
Amounts due from credit institutions	30,609,539	30,609,539	30,609,539
Investment financial assets	2,580,122	2,580,122	1,978,614
Other financial assets	18,757	18,757	18,757
Debt securities issued	(40,150,736)	(40,150,736)	(40,150,736)
Other financial liabilities	(210,072)	(210,072)	(210,072)

19 Subsequent events

During six-month period ended 30 June 2021 the decision was made to issue 1 ordinary share with a value of KZT 19,269,423 thousand (unaudited) in favor of Holding as payment for the purchase of 100% shares of QazTech Ventures JSC and 97.7% shares of Kazakhstan Project Preparation Fund LLP.

On 2 July 2021 control over Kazakhstan Project Preparation Fund LLP was transferred to the Group. Unpaid capital equal to KZT 1,537,853 thousand (unaudited) was paid by transferring of 97.7% shares of Kazakhstan Project Preparation Fund LLP.