



BAITEREK

Baiterek National Managing Holding Joint Stock Company

Unaudited Condensed Separate Interim Financial Statements

30 June 2020

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

To the Shareholder and Board of Directors of Baiterek National Managing Holding Joint Stock Company

Introduction

We have reviewed the accompanying condensed separate interim statement of financial position of Baiterek National Managing Holding Joint Stock Company (the "Holding Company") as at 30 June 2020, and the related condensed separate interim 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 condensed separate interim financial information (the "condensed separate interim financial information"). Management is responsible for the preparation and presentation of this condensed separate interim financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this condensed separate interim 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 condensed separate interim 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 condensed separate interim financial information as at 30 June 2020 and for the six- month period then ended is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.


Assel Urdabayeva
Authorised representative (Partner)
KPMG Audit LLC
Nur-Sultan, Republic of Kazakhstan



1 September 2020

Baiterek National Managing Holding Joint Stock Company
Condensed Separate Interim Statement of Financial Position

<i>(In thousands of Kazakhstani Tenge)</i>	Note	30 June 2020, unaudited	31 December 2019
ASSETS			
Cash and cash equivalents	4	12,176,667	19,722,822
Investment securities	5	432,502,953	146,892,085
Loans to subsidiaries	6	573,857,371	547,227,387
Investment in subsidiaries	7	1,089,953,983	982,953,983
Property, plant and equipment		508,668	626,150
Intangible assets		278,638	256,797
Current income tax prepayment		2,183,507	2,014,231
Other assets		1,410,791	232,749
TOTAL ASSETS		2,112,872,578	1,699,926,204
LIABILITIES			
Debt securities issued	8	812,551,187	530,431,911
Loans from the Government of the Republic of Kazakhstan	9	191,521,764	177,605,273
Deferred income tax liability	18	2,540,352	4,946,478
Other liabilities		2,499,432	1,689,722
TOTAL LIABILITIES		1,009,112,735	714,673,384
EQUITY			
Share capital	10	1,024,218,712	917,218,712
Retained earnings		79,541,131	68,034,108
TOTAL EQUITY		1,103,759,843	985,252,820
TOTAL LIABILITIES AND EQUITY		2,112,872,578	1,699,926,204

Approved by Management on 1 September 2020 and were signed on its behalf by:

Yersain Yerbulatovich Khamitov
 Managing Director
 Member of Management Board



Kuralay Damirovna Yessengarayeva
 Chief Accountant

Baiterek National Managing Holding Joint Stock Company
Condensed Separate Interim Statement of Profit or Loss and Other Comprehensive Income

<i>(In thousands of Kazakhstani Tenge)</i>	Note	Six months ended 30 June 2020, unaudited	Six months ended 30 June 2019, unaudited
Interest income calculated using the effective interest method	11	34,579,959	22,337,069
Other interest income		10	10
Interest expense	12	(33,748,229)	(21,737,212)
Net interest income		831,740	599,867
Dividend income	13	23,847,997	15,605,834
Impairment loss on financial instruments, net	14	(1,478,500)	(284,481)
Other operating income, net	15	536,610	228,416
Other financial expenses	16	(20,583)	(3,706,386)
Administrative expenses	17	(3,417,173)	(2,191,556)
Profit before income tax		20,300,091	10,251,694
Income tax benefit	18	2,406,126	280
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		22,706,217	10,251,974

Baiterek National Managing Holding Joint Stock Company
Condensed Separate Interim Statement of Changes in Equity

<i>(In thousands of Kazakhstani Tenge)</i>	Note	Share capital	Retained earnings	Total
Balance at 1 January 2019		846,218,712	58,303,229	904,521,941
Profit for the period, unaudited		-	10,251,974	10,251,974
Total comprehensive income for the period, unaudited		-	10,251,974	10,251,974
Shares issued	10	49,000,000	-	49,000,000
Balance as at 30 June 2019, unaudited		895,218,712	68,555,203	963,773,915
Balance at 31 December 2019		917,218,712	68,034,108	985,252,820
Profit for the period, unaudited		-	22,706,217	22,706,217
Total comprehensive income for the period, unaudited		-	22,706,217	22,706,217
Shares issued, unaudited	10	107,000,000	-	107,000,000
Dividends declared and paid, unaudited	10	-	(11,198,660)	(11,198,660)
Other payments to shareholders, unaudited		-	(535)	(535)
Balance as at 30 June 2020, unaudited		1,024,218,712	79,541,131	1,103,759,843

Baiterek National Managing Holding Joint Stock Company
Condensed Separate Interim Statement of Cash Flows

<i>(In thousands of Kazakhstani Tenge)</i>	Note	Six months ended 30 June 2020, unaudited	Six months ended 30 June 2019*, unaudited
Cash flows from operating activities			
Interest received		8,159,900	5,213,162
Interest paid		(9,824,533)	(4,294,151)
Dividends received	13	23,847,997	2,609,604
Administrative and other operating expenses paid		(3,251,777)	(2,458,164)
Commission paid for the opening of the cover line for Export Credit Guarantee Scheme	16	-	(3,064,320)
Income tax paid		(169,276)	(176,397)
Net cash flows from/(used in) operating activities		18,762,311	(2,170,266)
Cash flows from investing activities			
Contribution to the capital of the subsidiaries	7	(107,000,000)	(49,000,000)
Loans issued to subsidiaries	6	(30,000,000)	(45,751,078)
Repayment of loans issued to subsidiaries	6	1,833,333	-
Acquisition of investment securities measured at amortised cost	5	(390,000,000)	(41,000,002)
Redemption of investment securities measured at amortised cost		-	3,255,696
Acquisition of property, plant and equipment		(28,888)	(2,307)
Acquisition of intangible assets		(80,383)	(16,134)
Net cash flows used in investing activities		(525,275,938)	(132,513,825)
Cash flows from financing activities			
Proceeds from debt securities issued	8	380,000,000	61,751,078
Repayment of debt securities issued	8	(5,000,000)	-
Receipt of loans from the Government of the Republic of Kazakhstan	9	30,000,000	24,000,000
Repayment of loans from the Government of the Republic of Kazakhstan	9	(1,833,333)	-
Proceeds from issue of ordinary shares	10	107,000,000	49,000,000
Dividends paid	10	(11,198,660)	-
Other payments to shareholder		(535)	-
Net cash flows from financing activities		498,967,473	134,751,078
Net increase in cash and cash equivalents		(7,546,155)	66,987
Cash and cash equivalents at the beginning of the period	4	19,722,822	2,596,755
Cash and cash equivalents at the end of the period	4	12,176,667	2,663,742

The notes set out on pages 5 to 24 form an integral part of these condensed separate interim financial statements.

1 Introduction

Baiterek National Managing Holding Joint Stock Company (the “Holding Company”) was incorporated in accordance with the Decree of the President of the Republic of Kazakhstan dated 22 May 2013 No. 571 “On some measures for optimisation of the management system of development institutes and financial organisations, and development of the national economy” and the Decree of the Government of the Republic of Kazakhstan dated 25 May 2013 No. 516 “About measures for implementation of the Decree of the President of the Republic of Kazakhstan dated 22 May 2013 No. 571”. As at 30 June 2020 and 31 December 2019, the ultimate controlling party of the Holding Company is the Government of the Republic of Kazakhstan.

The Holding Company is a direct shareholder of eleven subsidiaries (31 December 2019: eleven).

On 29 May 2013, the Holding Company and “Samruk-Kazyna” National Welfare Fund Joint Stock Company (“Samruk-Kazyna NWF”) signed an agreement for the transfer of shares of the Development Bank of Kazakhstan JSC (the “DBK JSC”), the Investment Fund of Kazakhstan JSC (the “IFK JSC”), KazExport Export Insurance Company JSC (“KE JSC”), Damu Entrepreneurship Development Fund JSC (“Damu EDF JSC”), and Kazyna Capital Management JSC (“KCM JSC”) in trust management without a right of subsequent repurchase, pursuant to which the Holding Company acted as a trust manager. During August and October 2013, Samruk-Kazyna NWF transferred shares of the above-mentioned entities to the Committee for State Property and Privatisations in exchange for block of shares of other joint stock companies and property.

On 17 June 2013, the Holding Company and Committee for State Property and Privatisations of the Ministry of Finance of the Republic of Kazakhstan (the “Committee for State Property and Privatisations”) signed an agreement on transfer of government shares of QazTech Ventures JSC (former National Agency for Technological Development JSC (“NATD JSC”), Housing Construction Savings Bank of Kazakhstan JSC (“HCSBK JSC”), Kazakhstan Mortgage Company Mortgage Organisation JSC (“KMC JSC”), Housing Construction Guarantee Fund JSC (“HCGF JSC”) and Baiterek Development JSC (“BD JSC”) into trust management without a right of subsequent repurchase, pursuant to which the Holding Company acted as a trust manager.

During August and October 2013, the Committee for State Property and Privatisations made contributions to the Holding Company’s share capital in the form of blocks of shares of ten above mentioned entities in exchange for the Holding Company’s ordinary shares for the total amount of Tenge 632,615,460 thousand and made cash contribution of Tenge 30,486,550 thousand that the Holding Company contributed further to the share capital of DBK JSC and KCM JSC.

On 19 March 2014, the Holding Company jointly with “Kazakhstan Centre of Government-Private Partnership” JSC established “Kazakhstan Project Preparation Fund” LLP (“KPPF LLP”). The Holding Company made a cash contribution of Tenge 150,000 thousand to the charter capital of KPPF LLP amounting to 75.00% interest in KPPF LLP.

In accordance with Order No. 964 of the Committee for State Property and Privatisations of 2 October 2014, the Committee for Investments of the Ministry of Industry and New Technologies of the Republic of Kazakhstan transferred 26.00% of shares of KMC JSC to the Holding Company as a contribution to the share capital. The value of transaction amounted to Tenge 10,216,702 thousand, where the total number of shares of 10,216,701 having nominal value Tenge 1,000 per one share, and 1 share of nominal value Tenge 608 per one share were transferred.

Debt securities issued of the Holding Company are listed on Kazakhstan Stock Exchange (the “KASE”).

Principal activity

The Holding Company’s mission is support of sustainable economic development of the Republic of Kazakhstan in order to implement state policy and achieve the goals set by the “Strategy - 2050”.

The Holding Company is actively involved in completing national strategic and social tasks through development institutions through the implementation of Nurly-Zhol State Program for Infrastructure Development in 2020-2025, “Nurly Zher” Housing Construction Program in 2020-2025, State Program of the Industrial and Innovative Development of the Republic of Kazakhstan in 2020-2025, Unified Program for Business Support and Development “Business Road Map – 2025”, Programme “Economics of Simple Things”, State Program for the development of productive employment and mass entrepreneurship for 2017-2021 “Enbek”, State Program for Development of Regions in 2020-2025, State Program for Support of Domestic Producers, State Program for Financing of Small and Medium Businesses in Manufacturing Industry, State Program “Leaders of Competitiveness - National Champions 2.0”, and President of the Republic of Kazakhstan Program “National Plan - 100 Specific Steps”.

The Holding Company follows the key Government policies in the area of industrial and innovation development, promotion of national products export, development of small and medium sized entrepreneurship, implementation of tasks in developing housing sector and enhancing the people’s welfare, as well as other goals set by the President and Government of the Republic of Kazakhstan.

Baiterek National Managing Holding Joint Stock Company
Notes to the Condensed Separate Interim Financial Statements – 30 June 2020

Below are the major subsidiaries of the Holding Company:

Name of subsidiary	Abbreviated name	Country of incorporation	Ownership, %	
			30 June 2020, unaudited	31 December 2019
Development Bank of Kazakhstan JSC	DBK JSC	Republic of Kazakhstan	100.00	100.00
Investment Fund of Kazakhstan JSC	IFK JSC	Republic of Kazakhstan	100.00	100.00
KazakhExport Export Insurance Company JSC	KE JSC	Republic of Kazakhstan	100.00	100.00
DAMU Entrepreneurship Development Fund JSC	DAMU EDF JSC	Republic of Kazakhstan	100.00	100.00
QazTech Venture JSC	QTV JSC	Republic of Kazakhstan	100.00	100.00
Kazyna Capital Management JSC	KCM JSC	Republic of Kazakhstan	100.00	100.00
Housing Construction Savings Bank of Kazakhstan JSC	HCSBK JSC	Republic of Kazakhstan	100.00	100.00
Mortgage Organisation Kazakhstan Mortgage Company JSC	KMC JSC	Republic of Kazakhstan	100.00	100.00
Housing Construction Guarantee Fund JSC	HCGF JSC	Republic of Kazakhstan	100.00	100.00
Baiterek Development JSC	BD JSC	Republic of Kazakhstan	100.00	100.00
Kazakhstan Project Preparation Fund LLP	KPPF LLP	Republic of Kazakhstan	97.70	97.70

Registered address and place of business. The Holding Company's registered address and place of business is: 55a Mangilik Yel Avenue, Yessil district, Nur-Sultan, Republic of Kazakhstan.

Presentation currency. These condensed separate interim financial statements are presented in thousands Kazakhstani Tenge ("Tenge"), unless otherwise stated.

Operating environment of the Holding Company. The Holding Company's operations are primarily located in the Republic of Kazakhstan. Consequently, the Holding Company is exposed to the economic and financial markets of the Republic of Kazakhstan, which display emerging-market characteristics. Legal, tax and regulatory frameworks continue to develop, but are subject to varying interpretations and frequent changes that, together with other legal and fiscal impediments, contribute to the challenges faced by entities operating in the Republic of Kazakhstan.

During the first half of 2020 there has been significant global market turmoil triggered by outbreak the coronavirus. On 11 March of 2020 World Health Organization announced that the spread of the new coronavirus infection became a pandemic. In response to a potentially serious threat of the COVID-19 virus for public health, in accordance with new legislation state of emergency was introduced throughout the territory of the Republic of Kazakhstan for the period from 16 March to 12 May of 2020 in order to protect life and health of citizens. During the state of emergency, local authorities gradually introduced additional measures to ensure social distancing, including the termination of the work of schools, higher educational institutions, restaurants, cinemas, theatres, museums, as well as sports facilities.

Due to business disruptions and self-isolation regimes imposed in many countries, global oil demand fell sharply, leading to oversupply and oil prices decreased sharply. On April 12, 2020 the world's largest oil manufacturers, including Kazakhstan, agreed to a record cut in crude oil production for stabilization of the oil market, which nevertheless did not lead to a decrease in pressure on oil prices. A sharp decline in prices and volumes of oil production leads to a corresponding decrease in income of oil companies and, consequently, a decrease in contributions to the state budget, which is likely to entail serious economic and social consequences and will provoke a decrease in public sector spending.

Taking into consideration the current operating and financial results of the Holding Company, as well as information currently available to the public within six-month period ended 30 June 2020, the Holding Company adjusted its macroeconomic indicators in calculating expected credit losses. However, one cannot exclude the possibility that the prolongation of the self-isolation regime for a long time, further tightening measures to prevent the further spread of infection, or the adverse effect of such measures on the economic environment in which the Holding Company will have an adverse effect on its operations in medium and long term. In addition, the Holding Company analyzes possible negative scenarios for the development of the situation and is ready to adapt accordingly their operating plans. The Holding Company continues to closely monitor the situation and will take the necessary measures to mitigate the consequences of possible negative events and circumstances as they arise.

The condensed separate interim financial statements reflect management's assessment of the impact of the Kazakhstan business environment on the operations and separate financial position of the Holding Company. The future business environment may differ from management's assessment.

2 Basis of preparation

Statement of compliance. These condensed separate interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in separate financial position and performance of the Holding Company since the last separate annual financial statements as at and for the year ended 31 December 2019. These condensed separate interim financial statements do not include all the information required for full separate annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The Holding Company also prepares in accordance with IAS 34 the condensed consolidated interim financial statements for the six-month period ended 30 June 2020, which may be obtained in the head office of the Holding Company at the following address: 55a Mangilik Yel Avenue, Yessil district, Nur-Sultan, 010000, Republic of Kazakhstan.

Basis of measurement. These condensed separate interim financial statements are prepared on the historical cost basis, except that financial instruments at fair value through profit or loss are stated at fair value.

Functional and presentation currency. The functional currency of the Holding Company is the Kazakhstani tenge (“Tenge”) 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 the Holding Company.

Tenge is also the presentation currency for the purposes of these condensed separate interim financial statements.

Financial information presented in Tenge is rounded to the nearest thousand, unless otherwise stated.

Use of estimates and judgments. The preparation of condensed separate interim financial statements in conformity with International Financial Reporting Standards (“IFRS”) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these condensed separate interim financial statements the significant judgments made by management in applying the Holding Company’s accounting policies and the key sources of estimation uncertainty are the same as those that applied to the Holding Company’s separate financial statements for the year ended 31 December 2019.

3 Summary of significant accounting policies

The accounting policies applied in these condensed separate interim financial statements are the same as those applied in the last annual separate financial statements.

New amendments and interpretations. A number of new amendments and interpretations are effective from 1 January 2020 but they do not have a material effect on the Holding Company’s condensed separate interim financial statements.

Comparative information. Comparative information is reclassified to conform to changes in presentation of the condensed separate interim financial statements in the current period. Management made certain classifications which affected comparative information, for the purpose of presentation of the condensed separate interim financial statements for the six-month period ended 30 June 2020.

The effect of changes due to reclassifications on the corresponding figures can be summarised as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	As previously reported	Reclassification	As reclassified
Separate statement of financial position as at 31 December 2019			
Cash and cash equivalents	7,819,807	11,903,015	19,722,822
Investment securities	158,795,100	(11,903,015)	146,892,085

4 Cash and cash equivalents

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited	31 December 2019
Receivables under reverse repurchase agreements with original maturities of less than three months	8,571,460	11,903,015
Current accounts	3,605,207	7,819,807
Total cash and cash equivalents	12,176,667	19,722,822

Baiterek National Managing Holding Joint Stock Company
Notes to the Condensed Separate Interim Financial Statements – 30 June 2020

All cash and cash equivalents are allocated to Stage 1 12-month ECL. The credit quality of cash and cash equivalents balances may be summarised based on Standard and Poor's ratings or Moody's or Fitch ratings as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited	31 December 2019
<i>Not past due</i>		
- NBRK, unrated	18,780	27,790
- BB- to BB+ rated	3,585,558	7,790,040
- B- to B+ rated	869	547
- unrated	-	1,430
Total current accounts	3,605,207	7,819,807

Interest rate analysis of cash and cash equivalents is disclosed in Note 19.

As at 30 June 2020 and 31 December 2019 the Holding Company entered into reverse repurchase agreements on Kazakhstan Stock Exchange. The subject of these agreements were treasury notes of the Ministry of Finance of the Republic of Kazakhstan, notes of the National Bank of the Republic of Kazakhstan, debt obligations of Kazakhstan Sustainability Fund JSC and debt obligations of International Finance Corporation. The carrying amount of those agreements and fair value of securities pledged amounted to Tenge 8,571,460 thousand and Tenge 8,222,592 thousand (31 December 2019: Tenge 11,903,015 thousand and Tenge 12,222,901 thousand), respectively.

5 Investment securities

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited	31 December 2019
Investment securities measured at amortised cost		
-Debt obligations of BD JSC	344,326,961	67,818,889
-Debt obligations of HCSBK JSC	57,730,709	57,730,709
-Debt obligations of KMC JSC	20,015,967	20,015,967
-Debt obligations of Transtelecom JSC	10,544,086	-
-Notes of the National Bank of the Republic of Kazakhstan	1,619,058	1,608,057
Impairment allowance	(1,764,837)	(312,591)
Total investment securities measured at amortised cost	432,471,944	146,861,031
Investment securities measured at fair value through profit or loss		
-Debt obligations of Special Financial Company "DSFK" LLP	31,009	31,054
Total investment securities	432,502,953	146,892,085

During the six-month period ended 30 June 2020, the Holding Company purchased following securities:

- debt securities of subsidiary BD JSC in the amount of Tenge 200,000,000 thousand issued with a coupon rate of 6.02% p.a. which mature in 10 years for the purposes of regional development, as part of the instruction of the President of the Republic of Kazakhstan at the meeting "On the situation with coronavirus and anti-crisis measures" held on 23 March 2020;

- debt securities of subsidiary BD JSC in the amount of Tenge 180,000,000 thousand issued with a coupon rate of 4.05% p.a. which mature in 2 years for the repurchase of debt securities of local executive bodies issued for the purposes of construction of new housing as part of the implementation of the state policy to provide the population with housing;

- debt securities of Transtelecom JSC in the amount of Tenge 10,000,000 thousand with coupon rate of 11.50% p.a. with maturity in 2027 in order to invest free cash available.

At initial recognition the debt securities of subsidiary BD JSC were recognised at fair value measured by applying relevant estimated market interest rate from 13.27% to 14.53% p.a. to discount their future cash flows. The Holding Company recognised a difference of Tenge 108,329,236 thousand (unaudited) (between the estimated fair value and nominal value as a loss, at initial recognition of investment securities at a below-market interest rates and reported the difference in profit or loss (Note 15).

In June 2019, the Holding Company purchased unsecured coupon bonds of BD JSC with nominal value of Tenge 40,000,000 thousand with coupon rates of 9.75% p.a. and maturity in 2029. The funds received by BD JSC were used for purchase of 40,000,000 bonds issued by Novacom Corporation LLC ("Partner") at the value of Tenge 1,000 per one bond, which mature in 2029 in order to finance an investment project for the purchase, development of land plots with a total area of 202 hectares located in Almaty, Turksib district, Kairat village, through the repurchase of Partner bonds.

During six month-period ended 30 June 2020 the Holding Company recognised expected credit loss in the amount of Tenge 1,452,246 thousand (six month-period ended 30 June 2019: Tenge 258,872 thousand) (Note 14).

Baiterek National Managing Holding Joint Stock Company
Notes to the Condensed Separate Interim Financial Statements – 30 June 2020

All investment securities measured at amortised cost are allocated to Stage 1 12-month ECL. The credit quality of investment securities measured at amortised cost may be summarised based on Standard and Poor's ratings or Moody's or Fitch ratings as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited	31 December 2019
<i>Not past due</i>		
Externally rated		
- NBRK, unrated	1,619,058	1,608,057
- BBB- to BBB+ rated	77,746,676	77,746,676
- B rated	10,544,086	-
Internally rated		
- BB+ (BD JSC)	344,326,961	67,818,889
Gross investment securities measured at amortised cost	434,236,781	147,173,622
Less impairment allowance	(1,764,837)	(312,591)
Total investment securities measured at amortised cost	432,471,944	146,861,031

Interest rate analysis of investment securities is disclosed in Note 19.

6 Loans to subsidiaries

<i>(In thousands of Kazakhstani Tenge)</i>	Nominal value		Carrying amount	
	30 June 2020, Unaudited	31 December 2019	30 June 2020, unaudited	31 December 2019
- DBK JSC	646,044,987	616,044,987	289,364,413	272,573,006
- BD JSC	353,095,125	353,095,125	166,411,654	160,358,880
- DAMU EDF JSC	216,800,000	216,800,000	87,178,592	84,503,407
- KMC JSC	132,470,920	132,470,920	29,352,784	28,466,442
- HCSBK JSC	22,000,000	22,000,000	6,882,447	6,640,480
Gross loans to subsidiaries	1,370,411,032	1,340,411,032	579,189,890	552,542,215
Less: impairment allowance	-	-	(5,332,519)	(5,314,828)
Total loans to subsidiaries	1,370,411,032	1,340,411,032	573,857,371	547,227,387

During six-month period ended 30 June 2020, the Holding Company provided loans to subsidiaries in the total amount of Tenge 30,000,000 thousand (unaudited) (six month-period ended 30 June 2019: Tenge 45,751,078 thousand (unaudited)). The loans bear interest rate of 0.08 – 0.15% p.a. and mature in 2035 - 2040 (six month-period ended 30 June 2019: interest rate of 0.10 - 0.20% p.a. and mature in 2026 - 2037).

In accordance with approved government programs, during six-month period ended 30 June 2020 the loans were provided on the following terms and conditions, including contractual interest rates as noted below:

- Tenge 20,000,000 thousand loan to DBK JSC at the contractual interest rate of 0.08% p.a. and with maturity in 20 years for long-term leasing financing to "Passenger Transportation" JSC for 20 years with a six-year grace period for the repayment of the principal;

- Tenge 10,000,000 thousand loan to DBK JSC at the contractual interest rate of 0.15% p.a. and with maturity in 15 years for long-term leasing financing for sales buses as part of the fleet renewal.

During six-month period ended 30 June 2020 DBK JSC has partially repaid the principal in the amount of Tenge 1,833,333 thousand.

During six-month period ended 30 June 2019 the loans were provided on the following terms and conditions, including contractual interest rates as noted below:

- Tenge 10,000,000 thousand loan to DBK JSC at the contractual interest rate of 0.15% p.a. and with maturity in 18 years for on-lending Tenge 8,000,000 thousand for crediting the buyers of passenger cars produced in Kazakhstan, and Tenge 2,000,000 thousand for leasing financing of entities and individual entrepreneurs who buy transport and equipment of special purpose except for agricultural equipment produced in Kazakhstan;

- Tenge 14,000,000 thousand loan to DBK JSC at the contractual interest rate of 0.15% p.a. and with maturity in 8 years for on-lending to DBK-Leasing with 0.20% p.a. for 8 years to provide long-term leasing in the frame of state program of support and development of the business "Road Map of the Business 2020";

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- Tenge 16,000,000 thousand loan to DAMU EDF JSC at the contractual interest rate of 0.10% p.a. and with maturity in 15 years for enforcement of liabilities of DAMU EDF JSC to DBK JSC under the bond repurchase agreement;

- Tenge 5,751,078 thousand loan to BD JSC at the contractual interest rate of 0.20% p.a. and with maturity in 7 years for further redemption of Local's Executive Body's bonds for apartments construction in Nur-Sultan and Almaty and to finance uncompleted objects of civil construction.

The Holding Company uses the following assumptions to estimate the market interest rates for determination of the fair value of financial instruments:

- Yield on long-term bonds issued by the Ministry of Finance of the Republic of Kazakhstan;
- The credit risk premium of the Republic of Kazakhstan;
- The credit risk premium of the counterparty or the Holding Company.

At initial recognition the loans were recognised at fair value measured by applying relevant estimated market interest rate from 13.44% to 13.46% p.a. (six-month period ended 30 June 2019: from 8.54% to 10.65% p.a.) to discount their future cash flows. The Holding Company recognised a difference of Tenge 22,274,218 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 13,320,568 thousand (unaudited)) between the estimated fair value and the nominal value as a loss, at initial recognition of loans provided to subsidiaries at below-market interest rates and reported the difference in profit or loss (Note 15).

These loans were financed through loans from the Government of the Republic of Kazakhstan denominated in Tenge with total nominal amount of Tenge 30,000,000 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 24,000,000 thousand) at interest rate 0.05% and 0.10% p.a. (six-month period ended 30 June 2019: at interest rate 0.10% p.a.) maturing in 2035 - 2040 (six-month period ended 30 June 2019: 2027 - 2037) (Note 9). The difference of Tenge 22,358,317 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 13,539,872 thousand (unaudited)) between the fair value of loans from the Government of the Republic of Kazakhstan at initial recognition and nominal value was recognised in profit or loss as a government grant to correspond with the Holding Company's loss at initial recognition of loans to subsidiaries (Note 15).

During six month period ended 30 June 2019, the Holding Company recognised a difference of Tenge 13,283,684 thousand between the estimated fair value and nominal value as a discount, at initial recognition of loans provided to DAMU EDF JSC at a below-market interest rates and recognised the difference in the amount as investment in subsidiaries (Note 7), as the loan in the amount of Tenge 16,000,000 thousand has been issued to DAMU EDF JSC not under the government program, but the Holding Company acted as in the capacity of a shareholder.

Movements in the loans to subsidiaries impairment allowance by ECL stages for six-month periods ended 30 June 2020 and 30 June 2019, respectively, are as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	Six months ended 30 June 2020, unaudited			Six months ended 30 June 2019, unaudited		
	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Total
Balance at the beginning of the period	889,293	4,425,535	5,314,828	883,177	4,710,730	5,593,907
Accrual /(recovery)	51,281	(33,590)	17,691	49,880	(24,271)	25,609
Balance at the end of the period	940,574	4,391,945	5,332,519	933,057	4,686,459	5,619,516

The credit quality of investment securities measured at amortised cost may be summarised based on Standard and Poor's ratings or Moody's or Fitch ratings as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	
Externally rated				
rated BBB-	284,541,532	41,058,112	-	325,599,644
rated BB+	3,571,479	83,607,113	-	87,178,592
Internally rated				
rated BB+	166,411,654	-	-	166,411,654
	454,524,665	124,665,225	-	579,189,890
Loss allowance	(940,574)	(4,391,945)	-	(5,332,519)
Carrying amount	453,584,091	120,273,280	-	573,857,371

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	31 December 2019			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	
<i>(In thousands of Kazakhstani Tenge)</i>				
Externally rated				
rated BBB-	267,842,935	39,836,993	-	307,679,928
rated BB+	3,373,732	81,129,675	-	84,503,407
Internally rated				
rated BB+	160,358,880	-	-	160,358,880
	431,575,547	120,966,668	-	552,542,215
Loss allowance	(889,293)	(4,425,535)	-	(5,314,828)
Carrying amount	430,686,254	116,541,133	-	547,227,387

7 Investment in subsidiaries

	30 June 2020, unaudited	31 December 2019
<i>(In thousands of Kazakhstani Tenge)</i>		
Carrying amount:		
DBK JSC	483,515,793	425,515,793
DAMU EDF JSC	112,209,478	92,209,478
KCM JSC	104,696,686	104,696,686
KE JSC	103,918,407	74,918,407
HCSBK JSC	95,159,603	95,159,603
BD JSC	67,337,960	67,337,960
KMC JSC	43,682,233	43,682,233
IFK JSC	31,925,554	31,925,554
QTV JSC	23,129,805	23,129,805
HCGF JSC	22,228,464	22,228,464
KPPF LLP	2,150,000	2,150,000
Total investments in subsidiaries	1,089,953,983	982,953,983

During six-month period ended 30 June 2020 the Holding Company has made capital contribution investments in cash to subsidiaries DBK JSC in the amount of Tenge 58,000,000 thousand, DAMU JSC in the amount of Tenge 20,000,000 thousand and KE JSC in the amount of Tenge 29,000,000 thousand. During six month period ended 30 June 2019 the Holding Company has made capital contribution investments in cash to subsidiaries DBK JSC in the amount of Tenge 15,000,000 thousand and KE JSC in the amount of Tenge 34,000,000 thousand and by provision a low-interest loan to DAMU EDF JSC for the amount of Tenge 16,000,000 thousand and the discount in the amount of Tenge 13,283,684 thousand is recognised as investment in subsidiary (Note 6).

The table below summarises the movements in the carrying amount of the Holding Company's investment in subsidiaries during six-month period ended 30 June 2020:

	1 January 2020	Contribution, unaudited	30 June 2020, unaudited
<i>(In thousands of Kazakhstani Tenge)</i>			
Carrying amount:			
DBK JSC	425,515,793	58,000,000	483,515,793
DAMU EDF JSC	92,209,478	20,000,000	112,209,478
KCM JSC	104,696,686	-	104,696,686
KE JSC	74,918,407	29,000,000	103,918,407
HCSBK JSC	95,159,603	-	95,159,603
BD JSC	67,337,960	-	67,337,960
IFK JSC	31,925,554	-	31,925,554
KMC JSC	43,682,233	-	43,682,233
QTV JSC	23,129,805	-	23,129,805
HCGF JSC	22,228,464	-	22,228,464
KPPF LLP	2,150,000	-	2,150,000
Total investments in subsidiaries	982,953,983	107,000,000	1,089,953,983

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The table below summarises the movements in the carrying amount of the Holding Company's investment in subsidiaries during six-month period ended 30 June 2019:

<i>(In thousands of Kazakhstani Tenge)</i>	1 January 2019	Contribution, unaudited	30 June 2019, unaudited
Carrying amount:			
DBK JSC	388,515,793	15,000,000	403,515,793
KCM JSC	104,696,686	-	104,696,686
HCSBK JSC	95,159,603	-	95,159,603
DAMU EDF JSC	78,925,794	13,283,684	92,209,478
KE JSC	40,918,407	34,000,000	74,918,407
BD JSC	47,732,078	-	47,732,078
IFK JSC	44,339,971	-	44,339,971
KMC JSC	43,682,233	-	43,682,233
QTV JSC	23,129,805	-	23,129,805
HCGF JSC	22,228,464	-	22,228,464
KPPF LLP	2,150,000	-	2,150,000
Total investments in subsidiaries	891,478,834	62,283,684	953,762,518

Management has considered if there are any indicators of impairment of the investments in subsidiaries as at 30 June 2020, by comparing the carrying amount of investments in subsidiaries with their net assets adjusted to budgeted operating results of the subsidiaries for the second half of the year, including the further impact of Coronavirus. No impairment indicators have been identified as a result of the assessment performed by the management.

8 Debt securities issued

	<i>(In thousands of Kazakhstani Tenge)</i>		Nominal value		Carrying amount	
	Placement date	Maturity date	30 June 2020, unaudited	31 December 2019	30 June 2020, unaudited	31 December 2019
KZ2C00006666	09.04.2020	02.04.2022	180,000,000	-	154,036,874	-
KZ2C00006716	25.06.2020	24.06.2030	200,000,000	-	122,099,098	-
KZ2C0Y15G093 (listed)	20.12.2018	27.12.2033	77,700,000	77,700,000	79,891,888	81,452,263
KZ2C0Y20F251	25.03.2016	25.03.2036	202,000,000	202,000,000	68,412,055	66,146,402
KZP01Y20E920	13.03.2015, 31.03.2015	13.03.2035	170,000,000	170,000,000	67,521,691	65,470,500
KZ2C0Y20E676	15.04.2014	15.04.2034	100,000,000	100,000,000	42,432,633	41,154,826
KZ2C00006088 (listed)	28.06.2019	28.06.2029	40,000,000	40,000,000	41,921,111	41,921,111
KZ2C0Y20E775	10.12.2014	10.12.2034	100,000,000	100,000,000	40,818,232	39,592,832
KZPO4M87F618	28.12.2018, 21.01.2019	12.03.2026	50,295,700	50,295,700	32,036,377	30,804,829
KZ2C00006203 (listed)	29.08.2019	28.08.2029	25,000,000	25,000,000	25,826,042	25,826,042
KZ2C0Y20E742	30.10.2014	30.10.2034	50,000,000	50,000,000	20,181,579	19,563,509
KZP01Y20E730	15.07.2014	15.07.2034	23,000,000	23,000,000	19,995,053	19,175,385
KZP01Y30E879	21.01.2015, 16.02.2015	21.01.2045	92,500,000	92,500,000	19,199,548	18,619,962
KZP02Y20E738	26.03.2015	30.06.2022	38,095,125	38,095,125	17,811,357	17,123,287
KZP01Y09F615	19.10.2017	29.03.2026	21,100,000	21,100,000	13,001,227	12,469,501
KZ05VHA00000529 (listed)	12.06.2019	10.06.2022	11,000,000	16,000,000	11,058,483	16,085,067
KZPO3M89F616	16.10.2018	12.03.2026	15,004,300	15,004,300	9,218,171	8,835,917
KZPO2M92F612	12.07.2018	12.03.2026	10,600,000	10,600,000	6,753,210	6,493,410
KZP02Y20E928	29.09.2015	29.09.2035	15,000,000	15,000,000	5,687,415	5,512,678
KZ2C0Y20F236	03.02.2016	03.02.2036	15,000,000	15,000,000	5,454,564	5,283,854
KZP02Y30E877	29.01.2016	29.01.2046	22,500,000	22,500,000	4,765,287	4,628,911
KZP03Y20E736	09.03.2016	09.03.2036	15,000,000	15,000,000	4,429,292	4,271,625
			1,473,795,125	1,098,795,125	812,551,187	530,431,911

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During six-month ended 30 June 2020, the Holding Company issued the bonds for the total amount of Tenge 380,000,000 thousand (unaudited) (during six-month ended 30 June 2019 the Holding Company issued bonds for the total amount of Tenge 61,751,078 thousand (unaudited)):

- unsecured coupon bonds with total nominal value of Tenge 200,000,000 thousand issued with a coupon rate of 6.00% p.a. which mature in 10 years. The funds were used to purchase debt securities of BD JSC for the purposes of regional development, as part of the instruction of the President of the Republic of Kazakhstan at the meeting "On the situation with coronavirus and anti-crisis measures" held on the 23 March 2020;

- unsecured coupon bonds with total nominal value of Tenge 180,000,000 thousand issued with a coupon rate of 4.00% p.a. which mature in 2 years. The funds were used to purchase deb securities of BD JSC for the repurchase of debt securities of local executive bodies issued for the purposes of construction of new housing as part of the implementation of the state policy to provide the population with housing.

Debt securities (KZ2C00006666 and KZ2C00006716) issued during six-month ended 30 June 2020 were acquired by Kazakhstan Sustainability Fund JSC.

Debt securities (KZ2C00006088) issued during six-month period ended 30 June 2019 were acquired by Unified Accumulative Pension Fund JSC and State Fund of Social Insurance JSC. Moreover, debt securities (KZ05VHA00000529) issued with the nominal amount of Tenge 16,000,000 thousand (unaudited) have been acquired by the subsidiary HCSBK JSC on a market term.

All other bonds issued during six-month period ended 30 June 2019 were acquired in full by NBRK.

During six-month ended 30 June 2020, the Holding Company partially repurchased debt securities issued (KZ05VHA0000052) in the amount of Tenge 5,000,000 thousand.

As a part of implementation of programs of state support and development, the Management Council of the National Fund of the Republic of Kazakhstan sets conditions of financing in the form of interest rates, financing schedule and related requirements for both the Holding Company, its subsidiaries, commercial banks as the agents of the programs as well as for the ultimate recipients of the funds. In addition, the Government has approved special conditions, under which the Holding Company's subsidiaries may provide further financing to commercial banks and companies. For this reason, the difference that had arisen upon valuation of bonds (KZ2C00006666 and KZ2C00006716) purchased by Kazakhstan Sustainability Fund JSC using proceeds of the National Fund of the Republic of Kazakhstan during six-month period ended 30 June 2020 at fair value at the issue date, was recognised as a government grant, also taking into account that the NBRK acted as the state agent and not in the interests of the Holding Company's ultimate shareholder, since all terms of the loans had been agreed on at the Government level in the decree concerning the financing of the above-mentioned programs, and the Government as the Holding Company's shareholder does not expect that direct economic benefits will be available to it, as the ultimate beneficiaries of the benefits are the recipient entities under the programs. Thus, during reporting period the Holding Company reported income of Tenge 108,696,255 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 2,505,198 thousand) as the government grant, which was recognised in other operating income in the condensed separate interim statement of profit or loss and comprehensive income (Note 15). The Holding Company applied the market interest rates of 13.27%- 14.53% p.a. (unaudited) to determine the fair value of issued bonds upon initial recognition (six-month period ended 30 June 2019: 8.54% p.a).

The interest expense of Tenge 25,460,374 thousand (unaudited) incurred during six-month of 2020 (six-month period ended 30 June 2019: Tenge 15,971,742 thousand (unaudited)) relates to the debt securities issued (Note 12).

9 Loans from the Government of the Republic of Kazakhstan

	Nominal value		Carrying amount	
	30 June 2020, unaudited	31 December 2019	30 June 2020, unaudited	31 December 2019
<i>(In thousands of Kazakhstani Tenge)</i>				
Ministry of Finance of the Republic of Kazakhstan	411,682,574	383,515,907	191,521,764	177,605,273
Total loans from Government of the Republic of Kazakhstan	411,682,574	383,515,907	191,521,764	177,605,273

During six-month period ended 30 June 2020 the Holding Company received a loan from the Ministry of Finance of the Republic of Kazakhstan in the total amount of Tenge 30,000,000 thousand (unaudited) (six month-period ended 30 June 2019: Tenge 24,000,000 thousand (unaudited)), with the following terms and contractual interest rates:

- a loan of Tenge 20,000,000 thousand has been received at the rate of 0.05% p.a. and with maturity in 20 years. The borrowed funds are intended to lend the Holding Company's subsidiary - DBK JSC for further lending of DBK-Leasing JSC to finance the renewal of the passenger car fleet of "Passenger Transportation" JSC;

- a loan of Tenge 10,000,000 thousand has been received at the rate of 0.10% p.a. and with maturity in 15 years. The borrowed funds are intended to lend the Holding Company's subsidiary - DBK JSC for further lending of DBK-Leasing JSC to finance the renewal of the passenger bus fleet.

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During six-month period ended 30 June 2020 the Holding Company partially repaid the principal in the amount of Tenge 1,833,333 thousand.

During six-month period ended 30 June 2019 the following loans have been received:

- a loan of Tenge 14,000,000 thousand has been received at the rate of 0.10% p.a. and with maturity in 8 years. The borrowed funds are intended to lend the Holding Company's subsidiary - DBK JSC for further lending of DBK-Leasing JSC to provide a long-term lease financing under the Unified Program for Business Support and Development "Business Road Map – 2020";

- a loan of Tenge 10,000,000 thousand has received at the rate of 0.10% p.a. and with maturity in 18 years. The borrowed funds are intended to lend the Holding's subsidiary - DBK JSC for on-lending of Tenge 8,000,000 thousand for crediting the buyers of passenger cars produced in Kazakhstan, and Tenge 8,000,000 thousand for leasing financing of entities and individual entrepreneurs, who buy transport and equipment of special purpose except for agricultural equipment produced in Kazakhstan.

During six-month period ended 30 June 2020 the Holding Company accounted for the income of Tenge 22,358,317 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 11,034,674 thousand (unaudited)), as government subsidies, which were recognised in other operating income in the condensed separate interim statement of profit or loss and other comprehensive income (Note 15). The Holding Company applied the market interest rates of 13.44% – 13.46% p.a. (unaudited) (six-month period ended 30 June 2019: of 8.73 – 8.76% p.a. (unaudited)) to measure the fair value of the loans received from the Government of the Republic of Kazakhstan at initial recognition by discounting their future contractual cash flows.

The interest expense of Tenge 8,287,855 thousand (unaudited) incurred during six-month period ended 30 June 2020 (six-month period ended 30 June 2019: Tenge 5,765,470 thousand (unaudited)) relates to the loan from the Government of the Republic of Kazakhstan (Note 12).

10 Share capital

<i>(In thousands of Kazakhstani Tenge, except for number of shares)</i>	30 June 2020, unaudited	31 December 2019
Authorised ordinary shares	5,000,086,550	5,000,086,550
Authorised, but not issued	(3,975,867,838)	(4,082,867,838)
Total issued shares paid	1,024,218,712	917,218,712
Par value per share, in Tenge	1,000	1,000
Issued share capital paid	1,024,218,712	917,218,712

Each ordinary share carries one vote.

During six-month-period ended 30 June 2020, the Holding Company issued shares for the total nominal amount of Tenge 107,000,000 thousand (unaudited) (during six-month period ended 30 June 2019: the Holding Company issued shares for the total nominal amount of Tenge 49,000,000 thousand).

During six-month-period ended 30 June 2020, the Holding Company has declared and paid dividends in the amount of Tenge 11,196,660 thousand (during six-month period ended 30 June 2019: no dividends declared). Dividends per ordinary share are Tenge 11.86.

11 Interest income calculated using the effective interest method

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Loans to subsidiaries	21,785,467	18,020,545
Investment securities measured at amortised cost	12,685,624	4,094,237
Cash and cash equivalents	108,868	222,287
Total interest income calculated using the effective interest method	34,579,959	22,337,069

Interest income for the six-month period ended 30 June 2020 includes Tenge 20,783,876 thousand (unaudited) and Tenge 3,029,859 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 17,078,602 thousand (unaudited)), resulting from amortisation of discount which has arisen upon initial recognition of loans to subsidiaries and investment securities, respectively.

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12 Interest expense

<i>(In thousands of Kazakhstani Tenge)</i>	Six months ended 30 June 2020, unaudited	Six months ended 30 June 2019, unaudited
Debt securities issued (Note 8)	25,460,374	15,971,742
Loans from the Government of the Republic of Kazakhstan (Note 9)	8,287,855	5,765,470
Total interest expense	33,748,229	21,737,212

Interest expense on debt securities issued for the six-month period ended 30 June 2020 includes Tenge 15,630,893 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 11,700,018 thousand (unaudited)) resulting from amortisation of discount which has arisen upon initial recognition of debt securities issued.

Interest expense on loans from the Government of the Republic of Kazakhstan for the six-month period ended 30 June 2020 includes Tenge 8,113,152 thousand (unaudited) (six-month period ended 30 June 2019: Tenge 5,628,343 thousand (unaudited)), resulting from amortisation of discount which has arisen upon initial recognition of loans from the Government of the Republic of Kazakhstan.

13 Dividend income

<i>(In thousands of Kazakhstani Tenge)</i>	Balance as at 1 January 2020	Declared, unaudited	Received, unaudited	Balance as at 30 June 2020, unaudited
HCSBK JSC	-	8,292,596	(8,292,596)	-
BD JSC	-	4,745,221	(4,745,221)	-
DBK JSC	-	3,287,543	(3,287,543)	-
KMC JSC	-	2,577,532	(2,577,532)	-
KE JSC	-	2,355,586	(2,355,586)	-
DAMU JSC	-	1,141,243	(1,141,243)	-
QTV JSC	-	352,879	(352,879)	-
	-	23,847,997	(23,847,997)	-

<i>(In thousands of Kazakhstani Tenge)</i>	Balance as at 1 January 2019	Declared, unaudited	Received, unaudited	Balance as at 30 June 2019, unaudited
HCSBK JSC	-	7,936,551	-	7,936,551
BD JSC	-	3,336,714	-	3,336,714
KMC JSC	-	1,385,764	-	1,385,764
KCM JSC	-	1,102,490	(1,102,490)	-
DBK JSC	-	973,142	(973,142)	-
KE JSC	-	475,666	(475,666)	-
IFK JSC	-	337,201	-	337,201
QTV JSC	-	54,142	(54,142)	-
KPPF LLP	-	4,164	(4,164)	-
	-	15,605,834	(2,609,604)	12,996,230

14 Impairment loss on financial instruments, net

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Provision on financial guarantees issued	(8,563)	-
Provision of impairment on loans to subsidiaries (Note 6)	(17,691)	(25,609)
Provision of impairment on investment securities (Note 5)	(1,452,246)	(258,872)
Total impairment loss on financial instruments, net	(1,478,500)	(284,481)

15 Other operating income, net

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Government grant utilisation (Notes 8 and 9)	131,054,572	13,539,872
Loss at initial recognition of investment securities at a market-below interest rates (Note 5)	(108,329,236)	-
Loss at initial recognition of loans to subsidiaries at a market-below interest rates (Note 6)	(22,274,218)	(13,320,568)
Other	85,492	9,112
Total other operating income, net	536,610	228,416

16 Other financial expenses

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Commission for the opening of the cover line for Export Credit Guarantee Scheme*	-	3,677,184
Interest cost from lease liability	20,583	29,202
Total other financial expenses	20,583	3,706,386

*During six-month period ended 30 June 2019, the Holding Company paid the commission in the amount of Tenge 3,677,184 thousand (equivalent to USD 9,600,000) in accordance with the framework agreement with Euler Hermes Aktiengesellschaft on behalf of the Federal Republic of Germany for reopening of the Export Credit Guarantee Scheme cover policy with respect to the Republic of Kazakhstan.

17 Administrative expenses

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Staff costs	1,043,000	1,058,511
Sponsorship and charity*	1,000,000	-
Consulting services	413,390	133,365
Administrative expense of the Board of Directors	236,457	242,020
Outsourcing costs	201,568	154,614
Depreciation of property, plant and equipment	146,370	138,266
Maintenance of fixed assets and intangible assets	103,324	58,603
Amortisation of software and other intangible assets	58,543	68,644
Staff training, conferences	43,630	92,063
Advertising and marketing services	34,780	70,499
Communication services	33,892	37,224
Transportation services	19,162	19,248
Insurance costs	7,659	8,413
Business trip expenses	9,946	46,045
Costs for stationary printing products, branding products	-	4,133
Other	65,452	59,908
Total administrative expenses	3,417,173	2,191,556

During six-month period ended 30 June 2020 the Holding Company has provided sponsorship in the amount of Tenge 1,000,000 thousand related to recovery of houses in Maktaaral district of Turkestan region suffered from the flood mainly to two villages Firdousi (180 houses) and Orgebas (156 houses).

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18 Income tax benefit

Income tax expense recorded in profit or loss for the period comprises the following:

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Change in deferred income tax assets/liabilities due to origination and reversal of temporary differences	2,406,126	280
Total income tax benefit	2,406,126	280

The income tax rate applicable to the Holding Company's income of the six-month period ended 30 June 2020 is 20% (the six-month period ended 30 June 2019: 20%).

Reconciliation between the expected and the actual taxation charge is provided below:

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	%	Six-month period ended 30 June 2019, unaudited	%
Profit before income tax	20,300,091	100.00	10,251,694	100.00
Income tax at the applicable tax rate	(4,060,018)	(20.00)	(2,050,339)	(20.00)
Non-taxable dividend income	4,769,599	23.50	3,121,167	30.45
Non-deductible loss of impairment	(295,700)	(1.46)	(56,896)	(0.55)
Non-deductible expenses (commission of insurance limit)	-	-	(735,437)	(7.17)
Recognition of tax effect of previously unrecognised tax losses	2,169,090	10.69	-	-
Unrecognised deferred tax assets	-	-	(269,651)	(2.63)
Non-deductible expense	(176,845)	(0.87)	(8,564)	(0.08)
Income tax benefit	2,406,126	11.86	280	0.02

19 Financial risk management

Management of risk is fundamental to the business of the Holding Company and is an essential element of the Holding Company's operations. Market risk, includes price risk, interest risk, currency risk, credit risk and liquidity risk are the main risks, the Holding Company faces in the course of its business.

Credit risk. The Holding Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Exposure to credit risk arises as a result of the lending and other transactions with counterparties of the Holding Company and its subsidiaries giving rise to financial assets.

The Holding Company's maximum exposure to credit risk is reflected in the carrying amounts of financial assets on the condensed separate interim statement of financial position. For guarantees and commitments to extend credit, the maximum exposure to credit risk is the amount of the commitment. No collateral and other credit enhancements exist as at 30 June 2020 (31 December 2019: None).

The Holding Company controls credit risk by placing limits on transactions with counterparties, including limits on the level of risk accepted in relation to one counteragent, or groups of counteragents, based on the Regulations for Management of Financial Assets and Liabilities of Baiterek National Managing Holding Joint Stock Company.

None of financials assets are past due as at 30 June 2020 (31 December 2019: None).

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Credit risk concentration. The Holding Company's cash balances as at 30 June 2020 were placed with three banks (31 December 2019: three banks). That does not expose the Holding Company to significant credit concentration risk.

Concentration of investment securities is disclosed in Note 5.

Concentration of loans to subsidiaries is disclosed in Note 6.

Currency risk. As at 30 June 2020 and 31 December 2019, the Holding Company has no significant foreign currency exposure.

Market risk is the risk of changes in the Holding Company's income or cost of its portfolios due to changes in market prices, including foreign exchange and interest rates. The Holding Company's market risk consists of currency risk, interest rate risk. Market risks arise from open positions in currency, interest rates and equity products, all of which are exposed to general and specific market movements.

The market risk management objectives are to manage and control that exposure to market risk does not fall out of the acceptable parameters, ensuring the optimization of profitability obtained for risk accepted.

Total responsibility for the market risk management is imposed on the Management Board, headed by the Chairman of the Management Board. Management Board set limits with respect to the market risk based on recommendations received from Risk Management Department.

The Holding Company manages market risk through setting limits on open positions with respect to the value of portfolio on individual financial instruments, terms of changes in interest rates, currency position, limits for losses, and regular monitoring of their observance, the results of which are reviewed and approved by the Management Board.

Interest rate risk is the risk of changes in the Holding Company's income or cost of its portfolios of financial instruments due to changes in interest rates.

The Holding Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its separate financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise.

Interest rate risk arises, when available or forecasted assets with definite maturity are higher or lower upon value compared to available or forecasted liabilities with similar maturity. Interest rate risk management is based on the principles of full coverage of costs: resulting interest income should cover costs for raising and placement of funds and provide for net profit generation and competitiveness.

The table below summarises the Holding Company's exposure to interest rate risk as at 30 June 2020. The table presents the aggregated amounts of the Holding Company's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual interest repricing or maturity dates.

<i>(In thousands of Kazakhstani Tenge)</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	More than 1 year	Interest-free	Total
30 June 2020, unaudited						
Total financial assets	12,458,426	17,337,411	3,889,249	991,929,612	19,649	1,025,634,347
Total financial liabilities	(83,004)	(19,182,934)	(5,018,668)	(979,788,345)	(431,686)	(1,004,504,637)
Net interest sensitivity gap at 30 June 2020, unaudited	12,375,422	(1,845,523)	(1,129,419)	12,141,267	(412,037)	21,129,710

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The table below summarises the Holding Company's exposure to interest rate risk as at 31 December 2019. The table presents the aggregated amounts of the Holding Company's financial assets and liabilities at carrying amounts, categorised by the earlier of contractual interest repricing or maturity dates.

<i>(In thousands of Kazakhstani Tenge)</i>	Demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	More than 1 year	Interest-free	Total
At 31 December 2019						
Total financial assets	19,852,830	3,117,800	15,918,012	680,552,733	28,337	719,469,712
Total financial liabilities	(57,756)	(10,953,584)	(15,093,614)	(681,932,230)	(481,611)	(708,518,795)
Net interest sensitivity gap at 31 December 2019	19,795,074	(7,835,784)	824,398	(1,379,497)	(453,274)	10,950,917

An analysis of the sensitivity of profit or loss (net of taxes) to changes in interest rates (repricing risk), based on a simplified scenario of a 100 basis point (bp) symmetrical fall or rise in all yield curves and restated positions of interest-bearing assets and liabilities existing as at 30 June 2020 and 31 December 2019 are as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	30 June 2020, unaudited	31 December 2019
Parallel rise by 100 basis points	82,161	109,008
Parallel fall by 100 basis points	(82,161)	(109,008)

The Holding Company monitors interest rates for its financial instruments. The table below summarises interest rates at the respective reporting date based on reports.

<i>In weighted-average effective % p.a.</i>	30 June 2020, unaudited	31 December 2019
Assets		
Cash and cash equivalents	6.24%	6.23%
Investment securities	12.47%	9.55%
Loans to subsidiaries	7.84%	7.76%
Liabilities		
Debt securities issued	9.57%	7.75%
Loans from the Government of the Republic of Kazakhstan	9.64%	9.48%

Liquidity. Contractual payments under the financial liabilities exceed their carrying amount by the sum of non-amortised discount of future interest expenses. As at 30 June 2019 the contractual payments on the issued debt securities and loans from the Government of the Republic of Kazakhstan amount to Tenge 1,781,124,555 thousand (unaudited) and Tenge 415,085,490 thousand (unaudited) (31 December 2019: Tenge 1,279,770,066 thousand and Tenge 386,868,747 thousand) respectively, including nominal value of Tenge 1,473,795,125 thousand (unaudited) and Tenge 411,682,573 thousand (unaudited) (31 December 2019: Tenge 1,098,795,125 thousand and nominal value of Tenge 383,515,906 thousand) respectively, and total future interest of Tenge 307,329,430 thousand (unaudited) and Tenge 3,402,917 thousand (unaudited) (31 December 2019: Tenge 180,974,941 thousand and Tenge 3,352,840 thousand) payable on annual basis.

Capital management. The Holding Company treats capital as net assets attributable to the Holding Company's owners. The Holding Company is not subject to the regulatory capital requirements.

Legal risks. The Holding Company is exposed to legal risk, when there is the probability of occurrence of an adverse legislation change, incorrect legislation application, non-observance of internal documents, when decisions are made, untimely notification of state authorised bodies (in different situations: when documents are prepared, when legally significant actions are committed, etc.).

The Holding Company manages legal risk through monitoring of legislation changes, monitoring of orders implementation, professional development of legal department employees, engagement of consultants.

20 Contingencies and commitments

Legal proceedings. From time to time and in the normal course of business, claims against the Holding Company and its subsidiaries may be received. On the basis of its own estimates and internal professional advice, management is of the opinion that no material losses will be incurred in respect of claims, and accordingly no provision has been made in these condensed separate interim financial statements.

Tax 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 condensed separate interim 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 of the Holding Company 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 condensed separate interim financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

Credit related commitments. On December 2017, a loan facility agreement has been concluded between DBK JSC and Sumitomo Mitsui Banking Corporation Europe Limited, the Bank of Tokyo-Mitsubishi UFJ Ltd., Deutsche Bank AG, Credit Agricole Corporate and Investment Bank in order to finance the investment project PetroKazakhstan Oil Product LLC. The Holding Company has concluded the financial guarantee agreement as a security for DBK JSC's loan facility agreement for the amount not exceeding USD 225,000 thousand (equivalent to Tenge 90,861,750 thousand). In February 2018 under the loan facility agreement DBK JSC has received loans for the total amount of USD 225,000 thousand with maturity in 2030 and interest rates 4.67% and 4.94% p.a. At the reporting date, the management of the Holding Company accrued expected credit loss for the amount of Tenge 152,648 thousand, using the following assumptions: the factor of guarantee conversion is 1.0, the credit rating of the counterparty is "BBB-" and the corresponding indicators of PD (0.24%) and LGD (70%).

In December 2018, AstanaGaz KMG JSC issued bonds to finance the construction of the Saryarka gas pipeline for the total amount of 85,000,000 thousand tenge, with a maturity of 2033 and a coupon rate of 10.00%. The Holding Company has concluded the financial guarantee agreement as a security for 50% obligations of AstanaGaz KMG JSC in an amount not exceeding Tenge 42,500,000 thousand of the principal and Tenge 14,067,500 thousand of the total coupon payments. At the reporting date, the management of the Holding Company accrued expected credit loss for the amount of Tenge 226,003 thousand, using the following assumptions: the factor of guarantee conversion is 1.0, the credit rating of the counterparty is "BB" and the corresponding indicators of PD (0.72%) and LGD (55.49%).

During six-month period ended 30 June 2020 there were no any changes in credit related commitments.

21 Related party transactions

Parties are generally considered to be related if the parties are under common control, or one party has the ability to control the other party or can exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The Government of the Republic of Kazakhstan has control over the Holding Company since it is the ultimate controlling party. The Holding Company has decided to apply an exemption from disclosure of individually insignificant transactions and outstanding balances with state owned entities.

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The balances as at 30 June 2020 for transactions with related parties are as follows (unaudited):

<i>(In thousands of Kazakhstani Tenge)</i>	Subsidiaries		Transactions with state owned entities	
	Amount	Average interest rate	Amount	Average interest rate
Cash and cash equivalents	-	-	18,780	-
Investments in subsidiaries	1,089,953,983	-	-	-
Gross loans to subsidiaries	579,189,890	0.14%	-	-
Impairment allowance on loans to subsidiaries	(5,332,519)	-	-	-
Investment securities	422,073,637	7.80%	12,163,144	11.50%
Impairment allowance on investment securities	(1,371,915)	-	(392,922)	-
Current income tax prepayment	-	-	2,183,507	-
Debt securities issued	(11,058,483)	9.57%	(801,492,704)	1.47%
Loans from the Government of the Republic of Kazakhstan	-	-	(191,521,764)	0.09%
Lease liabilities presented in other liabilities	(416,828)	-	-	-
Financial guarantees issued presented in other liabilities*	(152,648)	-	(226,003)	-
Other liabilities	(190,520)	-	(153,280)	-
Deferred income tax liability	-	-	(2,540,352)	-

* During the year ended 31 December 2018 the Holding Company issued financial guarantees on behalf of 2 related parties, DBK JSC and AstanaGaz KMG JSC, with the guarantee amounts of Tenge 56,567,500 thousand and USD 225,000 thousand, respectively. The obligation arises from the moment of default, which occurs in case of partial or complete non-fulfillment by DBK JSC and AstanaGaz KMG JSC of the obligation to pay the principal and interest/coupon in accordance with the payment schedules. The guarantees have maturity from 2030 to 2033. All guarantees are noninterest bearing and not collateralised. During the six-month period ended 30 June 2020 the Holding Company has received guarantee commission income in the amount of Tenge 18,621 thousand, which is recognised as a part of other operating income.

The income and expense items on the related party transactions for the six-month period ended 30 June 2020 were as follows (unaudited):

<i>(In thousands of Kazakhstani Tenge)</i>	Subsidiaries	Transactions with state owned entities
Interest income calculated using effective interest rate	33,544,619	926,472
Interest expense	(739,017)	(33,009,212)
Dividend income	23,847,997	-
Other operating (expense)/income, net	(130,603,454)	131,054,572
Interest cost from lease liability	(20,583)	-
Impairment losses on financial instruments	(1,085,578)	(392,922)
Administrative expenses	-	(354,673)
Income tax benefit	-	2,406,126

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The balances as at 31 December 2019 for transactions with related parties are as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	Subsidiaries		Transactions with state owned entities	
	Amount	Average interest rate	Amount	Average interest rate
Cash and cash equivalents	-	-	27,790	-
Investment in subsidiaries	982,953,983	-	-	-
Gross loans to subsidiaries	552,542,215	0.15%	-	-
Impairment allowance on loans to subsidiaries	(5,314,828)	-	-	-
Investment securities	145,565,565	9.67%	1,608,057	7.95%
Current income tax prepayment	-	-	2,014,231	-
Debt securities issued	(16,085,067)	9.57%	(513,346,844)	0.11%
Loans from the Government of the Republic of Kazakhstan	-	-	(177,605,273)	0.09%
Lease liabilities presented in other liabilities	(551,036)	-	-	-
Deferred tax liability	-	-	(4,946,478)	-
Financial guarantees issued presented in other liabilities*	(144,086)	-	(226,003)	-
Other liabilities	(53,179)	-	(113,983)	-

The income and expense items on the related party transactions for the six-month period ended 30 June 2019 were as follows (unaudited):

<i>(In thousands of Kazakhstani Tenge)</i>	Subsidiaries	Transactions with state owned entities
Total interest income	21,764,041	350,741
Interest expense	(85,067)	(21,652,145)
Dividend income	15,605,834	-
Other operating (expense)/income	(13,320,568)	13,539,872
Interest cost from lease liability	(29,202)	-
Impairment losses on financial assets	(284,481)	-
Administrative expenses	-	(316,800)
Income tax benefit	-	280

Total remuneration to the members of the Management Board and Board of Directors is as follows:

<i>(In thousands of Kazakhstani Tenge)</i>	Six-month period ended 30 June 2020, unaudited	Six-month period ended 30 June 2019, unaudited
Members of the Board of Directors	208,154	191,120
Members of the Management Board	99,645	106,648
	307,799	297,768

22 Fair value

Determination of fair values. A number of the Holding Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and for disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

When measuring the fair value of an asset or a liability, the Holding Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Holding Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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 30 June 2020:

<i>(In thousands of Kazakhstani Tenge)</i>	Level 2, unaudited	Total fair values, unaudited	Total carrying amount, unaudited
Assets			
Cash and cash equivalents	11,827,799	11,827,799	12,176,667
Investment securities	413,170,449	413,170,449	432,502,953
Loans to subsidiaries	350,133,825	350,133,825	573,857,371
Liabilities			
Debt securities issued	609,410,633	609,410,633	812,551,187
Loans from the Government of the Republic of Kazakhstan	152,724,058	152,724,058	191,521,764

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 2019:

<i>(In thousands of Kazakhstani Tenge)</i>	Level 2	Total fair value	Total carrying amount
Assets			
Cash and cash equivalents	20,042,708	20,042,708	19,722,822
Investment securities	137,827,636	137,827,636	146,892,085
Loans to subsidiaries	424,926,005	424,926,005	547,227,387
Liabilities			
Debt securities issued	406,255,658	406,255,658	530,431,911
Loans from the Government of the Republic of Kazakhstan	168,394,628	168,394,628	177,605,273

The following assumptions are used by management to estimate the fair values of financial instruments:

- discount rates of 12.62% – 15.46% p.a. (unaudited) are used for discounting future cash flows from loans to subsidiaries (2019: 10.17 – 10.76% p.a.);
- discount rates of 12.22% – 16.92% p.a. (unaudited) are used for discounting future cash flows from investment securities (2019: 10.17 – 10.76% p.a.);
- discount rates of 12.22% – 13.72% p.a. (unaudited) are used for discounting future cash flows from debt securities issued (2019: 10.17 – 10.25%p.a.);
- discount rates of 12.22% – 13.72% p.a. (unaudited) are used for discounting future cash flows from loans from the Government of the Republic of Kazakhstan (2019: 10.17 – 10.76% p.a.).

23 Analysis by segment

The Holding Company's operations are highly integrated and constitute a single business segment for the purposes of IFRS 8 Segment Reporting. The Holding Company's assets are concentrated in the Republic of Kazakhstan, and the Holding Company's revenues are derived from operations in, and connected with, the Republic of Kazakhstan. The Chief Operating Decision Maker, in the case of the Holding Company, the Chairman of the Management Board, only receives and reviews the information on the Holding Company as a whole.

24 Subsequent events

According to the Order of the Minister of Industry and Infrastructure Development dated 8 July 2020, No.415, a decision was made to merge HCGF JSC with KMC JSC.

As part of implementation of the assigned task that is specified in the Address of the President of the Republic of Kazakhstan Kassym-Zhomart Tokayev - to reduce a number of operators of the housing construction programs, on 16 July 2020 the Management Board of NMH Baiterek JSC made the decision to approve the Agreement on merger of two subsidiaries - BD JSC with KMC JSC. On 16 July 2020 an act was approved for handover of all property, assets and liabilities, rights and obligations of BD JSC to KMC JSC, which became a legal successor of all assets and liabilities of BD JSC

In July 2020, to support the efficiency of the state policy of provision the population with housing pursuant to the Order of the Prime-Minister of the Republic of Kazakhstan A.U. Mamin (the Order No.17-4/Б-47 dated 14 February 2020), the Holding Company issued coupon bonds for the amount of Tenge 90,000,000 thousand at the interest rate of 4.00% per annum and with maturity of 20 years. Funds were transferred to the Holding Company's subsidiary - HCSBK JSC to issue the advances and bridge housing loans to ensure repurchase of housing by HCSBK JSC depositors, who are included in the waiting lists of the local executive bodies, by means of purchase of HCSBK JSC bonds in an unorganised market at the interest rate of 4.05% and with maturity of 20 years.

In July 2020, in accordance with the Decree of the President of the Republic of Kazakhstan dated 8 April 2020, No.299 "On Adjusting the State Budget for 2020", the charter capital of the Holding Company was increased by Tenge 10,000,000 thousand with subsequent increase of the charter capital of DAMU EDF JSC to support small and medium entities.

In August 2020, to support the efficiency of the state policy of maintaining employment in Kazakhstan, the Holding Company issued coupon bonds for the amount of Tenge 200,000,000 thousand at the interest rate of 6.00% and with maturity of 11 years. Funds were transferred to the Holding Company's subsidiary - BD JSC to repurchase securities issued by the local executive authorities for the purposes of regional development, by purchase of BD JSC bonds in the organised securities market on the trading floor of Kazakhstan Stock Exchange JSC; the bonds bear a coupon rate of 6.02% and mature in 11 years.

On 1 September 2020, the President of the Republic of Kazakhstan Kassym-Zhomart Tokayev, in the Address to the people of the Republic of Kazakhstan, instructed to merge Baiterek NMH JSC and KazAgro NMH JSC.