

## Statement of financial position

	2020	2019	Change	%
<b>Assets</b>				
Property, plant and equipment	4,369,745	4,484,271	-114,526	-2.6
Long-term bank deposits	56,528	52,526	4,002	7.6
Investments in joint ventures and associates	6,471,021	5,590,384	880,637	15.8
Other non-current assets	1,279,570	1,314,823	-35,253	-2.7
Short-term bank deposits	282,472	359,504	-77,032	-21.4
Cash and cash equivalents	1,145,864	1,064,452	81,412	7.6
Other current assets	1,001,569	1,208,351	-206,782	-17.1
Assets classified as held for sale	46,518	7,604	38,914	511.8
<b>Total assets</b>	<b>14,653,287</b>	<b>14,081,915</b>	<b>571,372</b>	<b>4.1</b>
<b>Total assets, USD mln</b>	<b>34,813</b>	<b>36,807</b>	<b>-1,993</b>	<b>-5.4</b>
<b>Equity and liabilities</b>				
<b>Total equity</b>	<b>8,636,679</b>	<b>8,196,656</b>	<b>440,023</b>	<b>5.4</b>
<b>Total equity, USD mln</b>	<b>20,519</b>	<b>21,424</b>	<b>-905</b>	<b>-4.2</b>
Non-current borrowings	3,716,892	3,584,076	132,816	3.7
Other non-current liabilities	966,341	862,741	103,600	12.0
Current borrowings	361,556	253,428	108,128	42.7
Other current liabilities	971,819	1,185,014	-213,195	-18.0
<b>Total liabilities</b>	<b>6,016,608</b>	<b>5,885,259</b>	<b>131,349</b>	<b>2.2</b>
<b>Total liabilities, USD mln</b>	<b>14,294</b>	<b>15,383</b>	<b>-1,088</b>	<b>-7.1</b>
<b>Total equity and liabilities</b>	<b>14,653,287</b>	<b>14,081,915</b>	<b>571,372</b>	<b>4.1</b>
<b>Total equity and liabilities, USD mln</b>	<b>34,813</b>	<b>36,807</b>	<b>-1,993</b>	<b>-5.4</b>

## DEBT MANAGEMENT

KMG's gross debt is represented by bonds and loans. The debt portfolio is mainly formed in US dollars – the currency of principal incomes. Accordingly, the “organic” hedging of currency risk is achieved without the need to use derivative financial instruments.

## Total debt

Total debt as at 31 December 2020 was KZT 4,078 bln (USD 9,690 mln), up 6.3% year-on-year in tenge terms (down 3.4% in US dollars). Total debt including guarantees<sup>1</sup> as at 31 December 2020 was KZT 4,308 bln (USD 10,234 mln), up 5.0% year-on-year in tenge (down 4.5% in US dollars).

The increase in total debt by KZT 241 bln is mainly driven by the impact of foreign currency exchange rates on US dollar-denominated bonds and loans. At the same time, total debt in US dollar terms decreased by 3.4% to USD

9,690 mln as at 31 December 2020 compared to USD 10,030 mln as at 31 December 2019.

In January 2020, Atyrau Refinery received a tenge-denominated long-term loan from the Development Bank of Kazakhstan in the amount of KZT 46 bln to refinance a foreign currency loan received from The Export-Import Bank of China to finance new refining facilities. In May 2020, KazTransGas made an early partial redemption of its bonds at par value in the amount of USD 43.68 mln (KZT 18 bln), paying USD 41 mln (KZT 17 bln) in cash at a discounted price.

In October 2020, the Company issued Eurobonds for a total amount of USD 750 mln (KZT 322 bln) with a coupon rate of 3.5% per annum maturing in 2033 with a simultaneous full early redemption of the Eurobonds for a total amount of USD 906.6 mln (KZT 392 bln) maturing in 2022 and 2023. Significant demand from international investors allowed for the lowest yield in US dollars in KazMunayGas' history. In addition, the yield

<sup>1</sup> It includes nominal amounts of guaranteed obligations on a syndicated loan of Beineu-Shymkent Gas Pipeline (BSGP) in the amount of 227 bln tenge (USD 540 mln), guaranteed obligation on a loan of JSC “AstanaGas KMG” in the amount of 1.9 bln tenge (USD 4.4 mln) and lease liabilities in the amount of 62 bln tenge (USD 148 mln).

on the latest issue was the lowest among CIS issuers for new Eurobond issues with a maturity of more than 10 years at the time of the transaction.

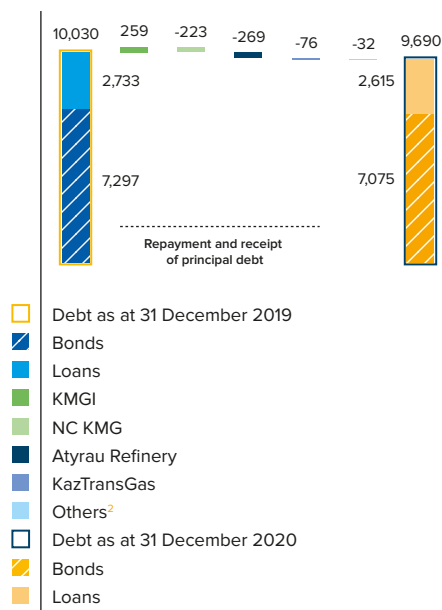
As a result:

- ◆ The debt maturity profile of KMG’s debt was smoothed out
- ◆ The Company currently has no large lump-sum external repayments until 2025
- ◆ The debt burden is at a controlled level with a predominance of longer-term borrowings
- ◆ The weighted average cost of borrowing for KMG has been reduced
- ◆ The covenant package has been improved

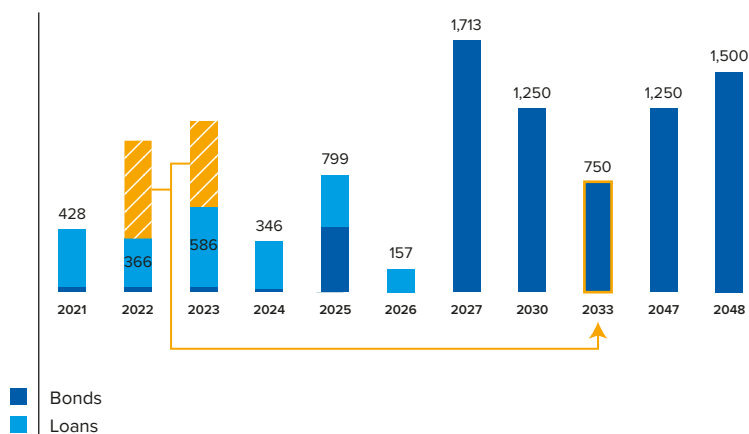
### Net debt

KMG’s net debt as at 31 December 2020 was KZT 2,594 bln (USD 6,162 mln), up 9.9% year-on-year in tenge terms (down 0.2% in US dollars).

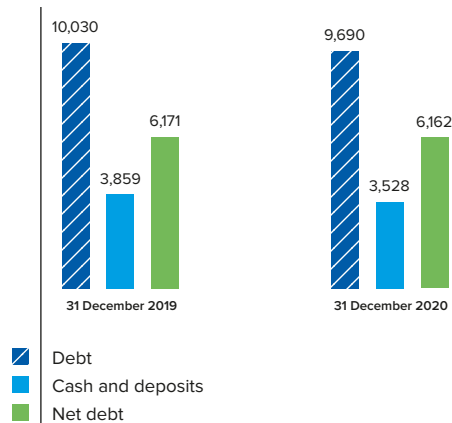
### Total debt change, USD mln <sup>1</sup>



### Debt repayment schedule at par value, USD mln<sup>3</sup>



### Net debt, USD mln<sup>1</sup>



<sup>1</sup> Numbers may not add up due to rounding.

<sup>2</sup> Others include currency translation, foreign exchange gain/loss, accrual of interest, capitalisation of interest, repayment of, and increase in, the principal debt of other subsidiaries.

<sup>3</sup> Does not include credit facilities, overdrafts and commitments on advances from KMG International.