

## STRATEGIC DIRECTIONS OF ACTIVITY

### COMPLETION OF THE PARTICIPATION IN THE GOVERNMENT PROGRAMS

In 2021, the Company continued to work on completion of the implementation of the Anti-Crisis Program in the cities of Nur-Sultan, Almaty and Almaty Region. As of 31 December 2021, 99% of the real estate pool was sold under the Anti-Crisis Program, or 578 thousand square meters (residential premises – 393.9 thousand square meters, commercial premises – 166.2 thousand square meters and 964 parking spaces).

In the reporting period, 52 parking spaces with the area of 932 square meters, including 39 parking spaces in the residential complex 'Akzhaiyk', 12 parking spaces in the residential complex 'Ishim' and 1 parking space in the residential complex 'Water-Green Boulevard', were rent to own.

The financing for the Anti-Crisis Program is sourced from the credit funds provided by the Fund using the funds of the National Fund of the Republic of Kazakhstan. In 2021, the liabilities under this program are fully settled.

According to the Nurly Zher Housing Construction Program in the direction of rental housing, as of 31 December 2021, out of 22 facilities, 20 facilities and a residential group of 1 facility

were put into operation, 1 facility was sold at the construction stage and its commissioning is not monitored. The total pool of real estate commissioned as part of rental housing is 596.6 thousand square meters. Within the framework of this program, 583.8 thousand square meters were sold to the population: 570.5 thousand square meters of living area, 4.8 thousand square meters of commercial real estate, and 8.5 thousand square meters of parking spaces, including 90 square meters sold through direct sale and 4,723 square meters rented to own in the reporting period.

As part of the implementation of the Nurly Zher Housing Construction Program in the direction of commercial housing, the Company entered into the financing agreements for 11 facilities. As of 31 December 2021, the pool of real estate within this direction amounted to 323.52 thousand square meters. At the reporting date, 285.8 thousand square meters were put into operation at 10 facilities and residential groups of one facility<sup>1</sup>. The source of financing for this program was the credit facility provided by the Sole Shareholder using the funds of the National Fund of the Republic of Kazakhstan, within which the Company received 73.6 billion tenge.

<sup>1</sup> RC 'Vostochka.kz' in Almaty City

## REAL ESTATE MANAGEMENT

The Company performed the functions of managing the following assets:

- For T4 Green Quarter Business Centre, the Company provided trust management services for a fee in the form of free use of premises inside the business centre. The income from lease of premises, expenses for the building maintenance and other expenses corresponding to the terms of the trust management agreement were accounted for in a separate balance sheet;
- Kazyna Tower Business Centre was leased out to third parties for operating lease. The other real estate objects

beneficially owned by the Company were also put into operating lease; and

- For the facilities transferred to trust management by the Sole Shareholder in 2015 for the further sale of real estate by the Company to be rented to own, payments were collected and control was carried out.

It should be noted that in the reporting period, due to the coronavirus pandemic and the state of emergency, the Company made decisions to extend the previously granted deferment for payments under rent-to-own agreements until the end of March 2021.

## CONSTRUCTION MANAGEMENT

Currently, the Company does not manage the construction of the above projects due to the refusal of the Agency for the Protection of Competition to satisfy the application

to expand the Company's activities in the form of project management accreditation.

## TRUST MANAGEMENT OF THE COMPANIES' INTERESTS AT THE DESIGN AND CONSTRUCTION STAGE

To manage the companies' interests at the design and construction stage, the Company manages the interests/shares of design companies that are at the stage of design and construction-and-installation works, until the facilities/projects are put into operation.

In December 2018, in accordance with the resolution of Samruk-Kazyna JSC, a subsidiary of Samruk-Kazyna JSC – United Chemical Company LLP – transferred to the trust management of the Company the interests in the authorized capital of the following of its companies – Khim-plus LLP and Karabatan Utility Solutions LLP. During the investment period these companies were at the design and construction stage. The terms of management of interests are set until the commissioning of construction projects. Within the framework of these agreements, the Company controls and supervises all production and economic activities of the companies transferred to trust management, takes measures and actions in order to properly control the progress of construction, monitor pricing, the quality of materials

used, as well as the timing of work performed. The Company receives a fixed quarterly fee for the management of these companies from the trustor for managing each company/construction in this company.

**Projects of KHIM-plus LLP in the territory of SEZ 'Chemical Park Taraz'.** The Company carried out trust management of an interest in the authorized capital of Khim-plus LLP. The term of trust management expired on 31 March 2021 due to the commissioning of the facilities.

**Projects of Karabatan Utility Solutions LLP – 'Construction of SEZ 'NIPT' infrastructure facilities'.** Agreement for the trust management of an interest in the authorized capital of Karabatan Utility Solutions LLP No.10-13/96 dated 29 December 2018. The financing is sourced from the funds of the Republican budget and own funds of Karabatan Utility Solutions LLP. The term of trust management is until 30 June 2022.

## INVESTING ACTIVITY

In addition to the foresaid, the Company has invested in the construction of new facilities. A part of the said new real estate will be sold by the Company independently in the direct sale method. These projects are financed by obtaining

borrowed funds on the market terms and using own funds. As of 31 December 2021, the construction investment agreements were entered into for the following projects.

### Multi-family residential complex on the Millennium Alley (1 stage)

- The construction of the facility and the sale of real estate are planned during 2021–2022 (March 2021 – September 2022)
- **Construction period** – 18 months
- **Developer** – Bazis-Astana LLP
- The project involves the construction of a residential complex with a total area of residential premises of about 71,077 square meters (60% investment share of the Company)

### Nur-Sultan City



### Nur-Sultan City



### Multi-family residential complex on the Millennium Alley (2 stage)

- The construction of the facility and the sale of real estate are planned during 2021–2022 (March 2021 – September 2022)
- **Construction period** – 18 months.
- **Developer** – Argon-Stroy LLP, authorized company – Bestbuilding LLP
- The project involves the construction of a residential complex with a total area of residential premises of about 71,077 square meters (60% investment share of the Company)

### Aktobe City



### Residential complex 'Bavaria' (2 stage)

- The project involves the construction of a residential complex with a total area of residential premises of 16,894.4 square meters in pre-final finishing (80% investment of the Company)
- **The construction period of the facility is** 11 months (November 2021 – May 2022)
- Construction shall be completed until September 2022
- Developer – Bavaria Construction LLP

### Residential quarter in Akkent Microdistrict

- The project involves the construction of 42 residential blocks comprising 4,158 apartments with the total area of 189.5 thousand square meters
- **The project implementation period is** 36 months
- **The period of construction of 42 blocks** is from March 2021 to January 2024.
- The sale of real estate is planned to begin after the construction of the frame of the block through the mechanisms of shared construction

### Almaty City



### Nur-Sultan City



### Residential complex within EXPO

- Residential premise area is 16,223.6 square meters (76.2% of the total area); commercial premise area is 4,948 square meters (76.2% of the total area) and parking for 176 cars (80% of the total number)
- **The period of construction of the facility is** 15 months
- The sale of real estate is planned until February 2023

### Atyrau City



### Multi-family residential complex 'French Quarter'

- Land plot – 2,996 ha
- 4-storey residential buildings with 257 apartments
- The total area of residential premises is not less than approximately 31,500 square meters
- **The period of construction of the facility is** not more than 11 months
- The term for putting the facility into operation is Quarter 2 of 2022