

MESSAGE OF THE CHAIRMAN OF THE MANAGEMENT BOARD OF “SAMRUK-ENERGY” JSC



Dear reader!

“Samruk-Energy” JSC is a key element of national energy system of Kazakhstan and is of backbone strategic importance for the country’s economy. The share of the Holding company’s group in Kazakhstan’s electricity production made over 29% at year-end 2020. “Samruk-Energy” JSC increased electricity production to 31.4 bln kWh, which is 4% higher than 2019 figures.

Our coal mining company “Bogatyr Komir” LLP sold 43.3 mln tons in 2020, which is 4% higher than the plan. Circa 860 mln kWh electricity was exported to the energy system of Central Asia.

In 2020, “Ekibastuz SDPP-1” was included in the list of power plants, which plans to enter into an

investment agreement for modernization and reconstruction with the Republic of Kazakhstan Ministry of Energy. This important event will ensure a return on investment for the project through the capacity market mechanism. The implementation of the project will restore the plant’s design capacity of over 4,000 MW. The project on expansion of “Ekibastuz SDPP-2” including construction of power unit No. 3 is underway.

“Samruk-Energy” JSC actively supports the initiative on development of renewable energy sources. At year-end 2020, electricity output by the group’s renewable energy facilities amounted to about 336 mln kWh, thereby providing a 10% share of the company in the renewable energy market. “Samruk-Energy” JSC pays special attention to the development of hydropower industry. In 2020, we completed a program for comprehensive retrofit of “Shardarinsk HPP”, by increasing the installed capacity from 100 MW to 126 MW. The project is of great importance for providing power-hungry Turkestan region with electricity and allows increasing the efficiency of water resources use in the region.

The international rating agency Fitch Ratings confirmed the Company’s long-term credit ratings at “BB” level with a “Stable” outlook, and also upgraded the Company’s credit rating on an independent basis from “b” to “b+”.

In 2020, the global issued driven by COVID-19 pandemic also impacted “Samruk-Energy” JSC companies. Despite this, the company secured the regular operation of all its

power plants and coal mining facilities in a challenging epidemiological situation. Emergency mode demonstrated the expertise of Kazakhstani power engineers and evidenced high mobilization capacities of the industry. The energy of the company’s working days, the joy of the successes achieved and the commitment to achieve new goals set stand behind the data presented in this Report. In conclusion, I would like to express my sincere gratitude to our power engineers, partners, shareholders, employees of “Samruk-Energy” JSC and all its SA for joint and productive work for the sake of development of the Republic of Kazakhstan power industry!

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