



JSC "National Center for Neurosurgery"

**ТОО «BR - Audit» Республика Казахстан
г. Алматы, ул. Умирзакова 136
br-audit@bk.ru**

**Генеральная Государственная лицензия
на занятие аудиторской деятельностью
№ 19009585 от 25.04.2019 года.**

г. Алматы

CONTENTS	
CONFIRMATION OF THE MANAGEMENT'S RESPONSIBILITES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENT	3
INDEPENDENT AUDITORS' REPORT	4
FINANCIAL STATEMENT	
BALANCE SHEET	6
STATEMENT OF PROFIT AND LOSS	8
CASH FLOW STATEMENT	10
STATEMENT OF CHANGES IN EQUITY	12

CONFIRMATION OF THE MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The following confirmation, which should be read together with the auditors' responsibilities described in Audit Report submitted by the independent auditor, is made to delineate responsibilities of auditors and the management regarding the financial statement of the JSC "National Center for Neurosurgery" (hereinafter – the "Company").

The Company's management is responsible for the preparation of financial statements that present fairly its financial position at 31 December 2021 and operations results, cash flows and changes in equity for the year then ended, providing of accounting policies and other explanatory notes in compliance with International Financial Reporting Standards (hereinafter – «IFRS»).

In preparing the financial statements, the Management is responsible for:

- properly selecting and applying accounting principles;
- presenting information, including accounting policies, manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific IFRS's requirements are insufficient to enable users to understand the impact of particular transactions other events and conditions on the Company's consolidated financial position and financial performance; and
- making assessment of the Company's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of the Company's internal control;
- maintaining adequate accounting records that disclose the Company's financial position with reasonable accuracy at any time and enable to ensure that the financial statements comply with IFRS and the laws of the Republic of Kazakhstan;
- taking relevant measures to safeguard the assets of the Company;
- preventing and detecting fraud and other irregularities.

The management reasonably assumes that the Company will continue its operations in the foreseeable future. The financial statements, therefore, are prepared in accordance with the principle of continuous operation.

The financial statement for the year ended 31 December, 2021 was authorized for issue on April 15, 2022 by the Company's management.

Signed on behalf of the
JSC "National Center for Neurosurgery":

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



(signature)



(signature)



(signature)



2022, Almaty, the Republic of Kazakhstan

JSC "National Center for Neurosurgery"

ref. №4-12-C April 15, 2022

«Approved»
issued by the Ministry of Finance dated 25.04.2019
General State License №19009585
O.M.Zhangirbayev
April 15, 2022



INDEPENDENT AUDITOR'S REPORT

To:

Founders and Management

JSC "National Center for Neurosurgery"

Opinion

We have audited the accompanying financial statement of the JSC "National Center for Neurosurgery" (further - «Company»), which comprise the statement of financial position as at 31 December 2021, profit and loss and other comprehensive income statements, statement of changes in equity and statement cash flows (direct method) for the year at that date, as well as qualitative aspects of accounting policies, including signs of possible bias in management's judgments and other explanatory notes that are included in the full set of financial statements prepared in accordance with the applicable general-purpose financial reporting framework for the year ended December 31, 2021.

In our opinion, the financial statements present fairly, in all material aspects, the financial status of the JSC "National Center for Neurosurgery" as at 31 December 2021, its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibility section of the report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the Law of the Republic of Kazakhstan on the audit of financial statements. We have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The management of the JSC "National Center for Neurosurgery" is responsible for the preparation of the financial statements, and its reliable presentation in accordance with International Financial Reporting Standards and in accordance with the applicable concept. This responsibility includes: developing, implementing and maintaining internal controls related to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, the selection and application of appropriate accounting policies, and the reasonableness of the estimates.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ✓ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error;
- ✓ design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The detection risk of material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ✓ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ✓ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- ✓ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- ✓ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the officials responsible for corporate management, informing them, among other things, about planned scope and timing of the audit, significant audit observations, as well as significant weaknesses in the internal control framework that we identify during the audit process.

Director, Auditor
"BR-AUDIT" LLP



D.M. Zhangirbayev

Auditor qualification certificate number MF-0000710,
issued by the Qualification Commission of the Professional
Audit Organization "Institute of Audit Organizations and auditors of Kazakhstan"
from 28.12.2018

BALANCE SHEET

for the period from 01.01.2021 to 31.12.2021

Index: № 1 – B (balance)

Periodicity: annually

Reported by: public interest organizations on the results of financial year

Organization name: JSC "National Center for Neurosurgery"

in thousands of KZT

Name of item	Code line	as at 31.12.2021	as at 31.12.2020
Assets			
I. Short-term assets:			
Cash and cash equivalents	010	2 398 108	2 243 039
Short-term financial assets at amortized cost	011		
Short-term financial assets at fair value through other comprehensive income	012		
Short-term financial assets at fair value through gains and losses	013		
Short-term derivative financial instruments	014		
Other short-term financial assets	015		
Short-term trade and other receivables	016	231 562	332 314
Short-term lease receivables	017	3 377	622
Short-term assets under contracts with customers	018		
Current taxes	019		
Stocks	020	787 714	650 248
Biological assets	021		
Other short-term assets	022	1 824	9 078
Total short-term assets (sum of lines from 010 to 019)	100	3 422 585	3 235 301
Assets (or outgoing groups), held for sale	101		
II. Long-term assets			
Long-term financial assets at amortized cost	110		
Long-term financial assets at fair value through other comprehensive income	111		
Long-term financial assets at fair value through gains and losses	112		
Long-term derivative financial instruments	113		
Investments accounted at original value	114		
Investments accounted by equity method	115		
Other long-term financial assets	116	41 580	41 580
Long-term trade and other receivables	117		
Long-term lease receivables	118		
Long-term assets under contracts with customers	119		
Investment property	120		
Property, plant and equipment	121	9 019 737	9 414 073
Right-of-use asset	122	13 161	
Biological assets	123		
Exploration and appraisal assets	124		
Intangible assets	125	35 693	8 485
Deferred tax assets	126		
Other long-term assets	127	154 873	149 648
Total long-term assets (sum of lines from 110 to 123)	200	9 265 044	9 613 786
Balance (line 100 +line 101+ line 200)		12 687 629	12 849 087



III. Short-term liabilities			
Short-term financial liabilities at amortized cost	210		
Short-term financial liabilities at fair value though gains and losses	211		
Short-term derivative financial instruments	212		
Other short-term financial liabilities	213		
Short-term trade and other payables	214	68 115	196 735
Short-term estimated liabilities	215	106 354	63 683
Current income tax liabilities	216		
Employee benefits	217	76 363	29 895
Short-term lease payables	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220	137 052	98 766
Dividends payable	221		
Other short-term liabilities	222	163 579	166 333
Total short-term liabilities (sum of lines from 210 to 217)	300	551 463	555 412
Liabilities of outgoing sales groups	301		
IV. Long-term liabilities			
Long-term liabilities at amortized cost	310		
Long-term financial liabilities at fair value though gains and losses	311		
Long-term derivative financial instruments	312		
Other long-term financial liabilities	313		
Long-term trade and other payables	314		
Long-term estimated liabilities	315		
Deferred tax liabilities	316		
Employee benefits	317		
Long-term lease payables	318	13 398	-
Long-term liabilities under contracts with customers	319		
Government subsidies	320	2 058 064	2 233 392
Other long-term liabilities	321		
Total long-term liabilities (sum of lines from 310 to 316)	400	2 071 462	2 233 392
V. Capital			
Share capital	410	9 223 040	9 223 040
Seigniorage benefits	411		
Purchased own equity instrument	412		
Components of other comprehensive income	413	409 259	409 259
Retained earnings (uncovered loss)	414	432 405	427 984
Other capital	415		
Total capital attributable to owners of parent organizations (sum of lines from 410 to 414)	420	10 064 704	10 060 283
Share of non-controlling owners	421		
Total capital (line 420 +/- line 421)	500	10 064 704	10 060 283
Balance (line 300+line 301+line 400 + line 500)		12 687 629	12 849 087

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

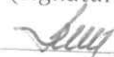
(surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



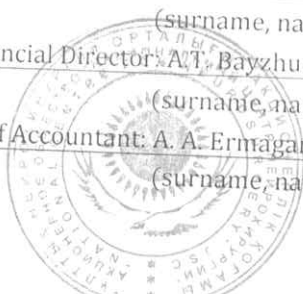
(signature)



(signature)



(signature)



Income Statement

for the period from 01.01.2021 to 31.12.2021

Index: № 2-Income Statement

Periodicity: annually

Reported by: public interest organizations on the results of the financial year

Addressed: to financial reporting depository in electronic format by means of software

Deadline: by 31 August of the year following the reporting period

Name of the Organization: JSC "National Center for Neurosurgery"

in thousands of KZT

Name of item	Code line	as at 31.12.2021	as at 31.12.2020
Revenue	010	7 715 758	5 355 717
Cost of goods and services sold	011	7 295 747	5 217 866
Gross profit (line 010 – line 011)	012	420 011	137 851
Cost of enforcement	013	0	
Administrative costs	014	(557 661)	474 601
Operating profit, total (losses) (+/- lines from 012 to 016)	020	(137 650)	(336 750)
Finance income	021	84 109	147 696
Finance costs	022	14 203	23 719
Organization's share in profits (losses) of associated organizations and joint activities accounted by equity method	023		
Other non-operating income	024	249 382	332 316
Other non-operating costs	025	173 163	113 751
Profit (losses) before taxation (+/- lines from 020 to 025)	100	8 475	5 792
Income tax expenses	101		
Profit (losses) after taxation on continued activities (line 100 – line 101)	200	8 475	5 792
Profit (losses) after taxation on discontinued activities	201		
Annual profit (line 200 + line 201) attributable to:	300	8 475	5 792
owners of parent organization			
share of non-controlling owners			
Other aggregate profit, total (sum of lines from 410 to 420):	400	8 475	5 792
including:			
Property, plant and equipment revaluation	410		
Revaluation of financial assets available for sale	411		
Share in other total profits (losses) of associated organizations and joint activities accounted by equity method	412		
Actuarial profits (losses) on pension liabilities	413		
Changing effect in income tax rate on deferred tax of subsidiaries	414		
Hedging of cash flows	415		
Foreign exchange differences on investments in foreign entities	416		
Hedging of net investments in foreign transactions	417		
Other components of other total profit	418		
Reclassification adjustment to profit (loss)	420	8 475	5 792
Revaluation of fixed assets and intangible assets	431		
Share in other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	432		
Actuarial gains (losses) on pension liabilities	433		
Tax effect of components of other comprehensive income	434		
Revaluation of equity financial instruments measured at fair value through other comprehensive income	435		
Total other comprehensive income not subject to reclassification to income or expense in subsequent periods (net of income tax) (sum of lines 431 to 435)	440		



JSC "National Center for Neurosurgery"

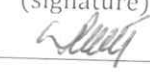
Cumulative profit (line 300 + line 400)	500	8 475	5 792
Total cumulative profit attributable to:			
owners of parent organization			
share of non-controlling owners			
Earnings per share:	600		
including:			
Base profit for share:			
from ongoing activities			
from discontinued activities			
Diluted earnings per share:			
from ongoing activities			
from discontinued activities			

Chairman of the Management Board: S.K. Akshulakov
 (surname, name, patronymic)

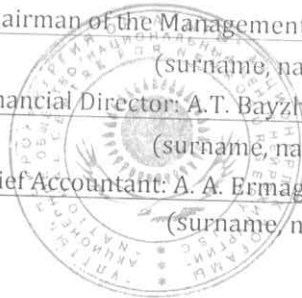
Financial Director: A.T. Bayzhumanova
 (surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova
 (surname, name, patronymic)


 (signature)


 (signature)


 (signature)



Cash flow statement (direct method)
for the period from 01.01.2021 to 31.12.2021

Index: № 3 - Cash flow statement (direct method)

Periodicity: annually

Reported by: public interest organizations on the results of the financial year

Addressed: to financial reporting depository in electronic format by means of software

Deadline: by 31 August of the year following the reporting period

Name of the Organization: JSC "National Center for Neurosurgery"

in thousands of KZT

Name of item	Code line	as at 31.12.2021	as at 31.12.2020
I. Cash flows from operating activities			
1. Cash inflow, total (sum of lines from 011 to 016)	010	7 925 499	8 424 030
including:			
realization of goods and services	011	6 040 953	4 303 256
other revenue	012		
advances received from buyers, customers	013	1 759 881	954 332
proceeds from insurance contracts	014		
rewards received	015	72 364	135 344
other income	016	52 301	3 031 098
2. Cash outflows, total (sum of lines from 021 to 027)	020	7 251 325	8 223 450
including:			
payments to suppliers for goods and services	021	3 641 132	2 939 338
advances to suppliers of goods and services	022	3 778	8 096
Payrolls	023	2 889 036	1 767 018
payment of rewards	024		
insurance contacts payments	025		
income tax and other payments to the budget	026	618 850	627 228
other payments	027	98 529	2 891 770
3. Net operating cash flow (line 010 – line 020)	030	674 174	190 580
II. Cash flow from investment activities			
1. Cash inflows, total (sum of lines from 041 to 051)	040	0	0
including:			
disposal of property, plant and equipment	041		
disposal of intangible assets	042		
disposal of other long-term assets	043		
disposal of equity instruments of other organizations (other than subsidiaries) and interests in joint enterprises	044		
disposal of debt instruments of other organizations	045		
reimbursement for loss of control over subsidiaries	046		
disposal of other financial assets	047		
futures and forward contracts, options and swaps	048		
dividends received	049		
rewards received	050		
other income	051		
2. Cash outflow, total (sum of lines from 061 to 071)	060	515 051	0
including:			
purchase of property, plants and equipment	061	515 051	1 798 278



purchase of intangible assets	062		
purchase of other long-term assets	063		
purchase of equity instruments of other organizations (except subsidiaries) and interests in joint enterprises	064		
purchase of debt instruments of other organizations	065		
purchase of control right over subsidiaries	066		
purchase of other financial assets	067		
provision of loans	068		
futures and forward contracts, options and swaps	069		
investments in affiliated organizations and subsidiaries	070		
other payments	071		
3. Net cash from investing activities (line 040 – line 060)	080	(515 051)	(1 798 278)
III. Cash flows from financial activities			
1. Cash inflows, total (sum of lines from 091 to 094)	090	-	-
including:			
issuance of shares and other financial instruments	091		
loans receiving	092		
rewards received	093		
other income	094		
2. Cash outflows, total (sum of lines from 101 to 105)	100	4 054	2 776
including:			
loan repayments	101		
rewards payments	102		
dividend payments	103	4 054	2 776
payments to owners of the organization by their shares	104		
Other disposals	105		
3. Net cash from financial activities (line 090 – line 100)	110	(4 054)	(2 776)
Impact of exchange rates to tenge	120		
Effect of changes in the carrying amount of cash and cash equivalents	130		
Increase +/- decrease of cash (line 030 +/- line 080 +/- line 110 +/- line 120)	140	155 069	(1 610 474)
Cash and cash equivalents at the beginning of reporting period	150	2 243 039	3 853 513
Cash and cash equivalents at the end of reporting period	160	2 398 108	2 243 039

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A.A. Ermaganbetova

(surname, name, patronymic)



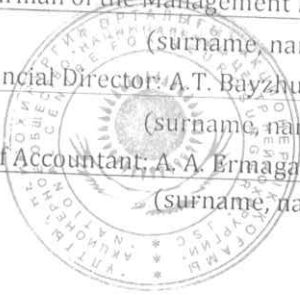
(signature)



(signature)



(signature)



Enclosure 5
to direction of First Deputy Prime Minister RK –
Minister of Finance RK
of 1 July 2019 № 665
Enclosure 6
to direction of Ministry of Finance RK
of 8 June 2017 года № 404
Form 4

STATEMENT OF CHANGES IN EQUITY
for the period from 01.01.2021 to 31.12.2021

Index: № - 5 – changes in equity

Periodicity: annually

Reported by: public interest organizations on the results of financial year

Organization name: JSC "National Center for Neurosurgery"

in thousands of KZT

Name of components	Code line	Capital attributable to owners						Proportion of non-controlling owners	Total equity
		Authorized share capital	Seigniorage	Purchased own equity instruments	Components of other comprehensive income	Retained earnings	Other capital		
Balance as at 1 January of the previous year	010	9 223 040							10 057 268
Changes in accounting policy	011				409 259	424 969			
Restated balance (line 010 + /line 011)	100	9 223 040			409 259	424 969			10 057 268
Total aggregated profit (line 210 + line 220):	200					5 792			5 792
Profit (loss) for the year	210					5 792			5 792
Total other aggregate profit (sum of lines from 221 to 229):	220								
including:									
revaluation of debt financial instruments at fair value through other comprehensive income (minus tax effect)	221								
revaluation of equity financial instruments at fair value through other comprehensive income (minus tax effect)	222								



Other transactions	719								
Balance as at 31 December of the reporting year (line 500 + line 600 + line 700)	800	9 223 040			409 259	432 405			10 064 704

Chairman of the Management Board: S.K. Akshulakov
 (signature)

Financial Director: A.T. Bayzhumanova
 (signature)

Chief Accountant: A.A. Ermagambetova
 (signature)



Notes to the financial statements for the year ended December 31, 2021

1. Organizational structure of the Company

Joint Stock Company "National Center of Neurosurgery" was established as the Republican State Enterprise "Republican Scientific Center of Neurosurgery" in accordance with the Decree of the Government of the Republic of Kazakhstan No. 268 dated March 19, 2008. On December 9, 2008, the Company was reorganized by transforming it into a joint-stock company "Republican Scientific Center of Neurosurgery" with one hundred percent participation of the state in the authorized capital.

Based on the decision of the Board of Directors No. 9 dated November 20, 2013, JSC "Republican Scientific Center of Neurosurgery" was renamed into JSC "National Center of Neurosurgery". The sole shareholder of the Company was National Medical Holding JSC.

JSC "National Medical Holding" in accordance with Government Decree No. 162 of March 31, 2016 by letter No. 04-1853 of December 12, 2016 transferred a block of shares of JSC "National Center of Neurosurgery" to the State Institution "Committee for State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan". The transfer is registered in JSC "Information and Accounting Center" by order No. 2855204 dated December 12, 2016.

The State Property and Privatization Committee of the Ministry of Finance of the Republic of Kazakhstan on January 25, 2018 by the act of acceptance of the transfer of ownership and use rights, the state block of shares of the National Center of Neurosurgery JSC was transferred to the Ministry of Health and Social Development of the Republic of Kazakhstan.

The Society in its activities is guided by the Constitution of the Republic of Kazakhstan, the legislation of the Republic of Kazakhstan and the Charter of the Society.

The company is a legal entity, has its own seal, independent balance sheet, bank accounts and letterhead. To achieve the goals of its activities, the Company is authorized to conclude transactions, acquire property and personal non-property rights, bear contractual and other obligations, be a plaintiff and defendant in court in accordance with the Charter and the legislation of the Republic of Kazakhstan.

By the decision of the sole shareholder dated August 03, 2018 No. 581, a new version of the Company's Charter was approved.

The Charter defines the name, location, legal status, goals, functions and basic principles of activity, the procedure for the formation and competence of the bodies of the Company.

Location of the legal entity: Republic of Kazakhstan, Akmola region, Nur-Sultan, Turan avenue, 34/1.

The purpose of the Society is to use modern methods of diagnosis and treatment of patients with neurosurgical and related diseases, aimed at reducing disability and mortality in the Republic of Kazakhstan, as well as the introduction and dissemination of modern technologies in the field of medical science and education.

The main subjects of the Society's activities are the provision of specialized medical care for neurosurgical diseases, as well as the conduct of scientific research and the introduction of modern medical technologies in the field of neurosurgery and their transfer to the health care system of the Republic of Kazakhstan.

In the event that a special permit (license, certificate) is required to carry out any type of activity, the Company carries out this type of activity only after receiving an appropriate permit (license, certificate).

The governing bodies of the Company are:

- Supreme body – the Sole Shareholder;
- Management body – the Board of Directors;
- Executive body – the Management Board;
- Control body – the Internal Audit Service.

Information on the placement of shares:

The total number of authorized shares is: 9,223,040, including:

Common shares – 9,223,040 shares,

Preferred shares – 0 pieces.



As of December 31, 2021, the Company's shares were placed and paid in full.
The authorized capital was formed in the amount of 9,223,040 thousand tenge.

Management of the Company: Chairman of the Management Board – S.K. Akshulakov, Financial Director, former K.A.Kairlenov (since March 2011), the current CFO Bayzhumanova A.T. (since 12 of November 2020) is responsible for the presented financial statements in accordance with the legislation of the Republic of Kazakhstan.

These financial statements have been prepared in accordance with International Financial Reporting Standards.

Due to the selective nature of the audit, there is a risk of not detecting significant errors.

Objectives and main activities

The main purpose of the creation of the Company is the use of modern methods of diagnostics and treatment of patients with neurosurgical and related diseases, aimed at reducing disability and mortality in the Republic of Kazakhstan, as well as the introduction and dissemination of modern technologies in the field of medical science and education.

The main activities of the Company are:

- provision of consultative and diagnostic, inpatient, inpatient medical care, including the use of high-tech medical services, in the field of neurosurgery and related profiles, rehabilitation treatment and medical rehabilitation to the population of the Republic of Kazakhstan within the guaranteed volume of free medical care and in the system of compulsory social health insurance, as well as on a paid basis;
 - provision of pathomorphological services;
 - purchase, storage and use of medicines, medical devices and medical equipment, as well as the manufacture of extemporal dosage forms for the needs of the Company in the manner prescribed by the legislation of the Republic of Kazakhstan, including the acquisition, transportation, storage, distribution and destruction of narcotic drugs, psychotropic substances and precursors;
 - analysis of the causes of morbidity and development of measures to prevent diseases requiring neurosurgical treatment;
 - development and implementation of innovative methods of diagnostics, treatment and rehabilitation of patients;
 - development and approval of standards in the field of health care and science in accordance with the established procedure for the profiles of the Company's activities;
 - introduction and provision of transfer of modern and highly effective medical technologies, management technologies in healthcare organizations;
 - participation in the coordination of scientific research, organizational and methodological, medical and diagnostic and consulting assistance in neurosurgery and related disciplines;
 - participation in the development of concepts, scientific and technical programs, regulatory legal acts, republican and international programs for the development of health care in the Republic of Kazakhstan;
 - organization and provision of postgraduate and additional medical education in the field of neurosurgery and neuropathology, including through the introduction of a system of continuing professional education, the organization of master classes with the involvement of foreign specialists (mentors) and internships in foreign medical centers, as well as advanced training and retraining of medical specialists in the field of neurosurgery and neuropathology;
 - carrying out research work in priority areas of fundamental and applied scientific research in the field of medicine and biology;
 - development and participation in the publication and implementation of scientific, educational, methodological literature in the field of neurosurgery and neuropathology;
 - development and implementation of the results of scientific activity, as well as international standards;
 - provision of property lease of the Company's property.
- The period of the Company's activity is not limited.

2. Principals accounting policies

Preparation of financial statements. These financial statements have been prepared in accordance with IFRS based on accounting rules for the initial cost of acquisition for the year ended December 31, 2020. The principal accounting policies used in preparing of these financial statements are stated below.



accounting policies have been applied consistently to all periods presented in the statements, except as otherwise specified (Note 4 "Application of new or amended standards and interpretations").

Preparation of financial statements in accordance with IFRS requires the use of accounting estimates and assumptions. In addition, the management is required to use significant professional judgment in applying the accounting policies of the Company. Areas associated with a higher degree of judgment or complexity, or areas in which assumptions and accounting estimates have a significant impact on the financial statements are disclosed in Note 3.

Principals of business continuity. The management has prepared these financial statements on business continuity principals and assumes that the Company will be able to realize its assets and liquidate its liabilities in the ordinary course of business. The attached financial statements do not contain adjustments necessary in the event if the Company is unable to continue its operations based on principle of continuity.

Accrual principals. The financial statements have been prepared in accordance with the accrual principle. The accrual principle is ensured by the recognition of the results of business operations, as well as events that are not the result of the economic activity of the Company, but that affect its financial position, upon their completion regardless of the time of payment. Transactions and events in accounting are recorded and included in the financial statements of the related periods. Expenses are recognized in the income statement based on a direct comparison between the expenses incurred and the specific income items earned (correlation concept). Income is recognized upon receipt of the economic benefits associated with the transaction and the ability to estimate the amount of income reliably.

Compliance report. The financial statements of the Company have been prepared in accordance with the requirements of the International Financial Reporting Standards as amended by the Council on International Financial Reporting Standards (IASB) and by the order of the Minister of Finance of the Republic of Kazakhstan dated June 28, 2017 No. 404 "On approval of the list and annual forms financial statements for publication by public interest organizations (other than financial institutions)."

Recognition of the elements of financial statements. The financial statements include all transactions and events that meet the definition of the elements of the financial statements and the condition for their recognition: The Company is significant confident that any economic benefits associated with the object will be received (or lost); the object has a value or estimate that can be measured reliably. All elements of the financial statements are reported in the accompanying balance sheet and income statement in the form of articles. Consolidation of several elements of the financial statements in a single article reflects their characteristics (functions) in the activities of the Company.

Coherence in reporting. Reporting and classification of items in the financial statements is retained from one period to the next. A major revision of financial reporting may require changes in financial reporting. The Company changes its financial statements only if the modified presentation provides information that is reliable and more relevant to the users of the financial statements and the revised presentation is likely to continue, and the comparability of information will not be affected.

Currency of financial reporting. Unless stated otherwise, the numbers reported in these financial statements are expressed in thousands of Kazakhstan tenge («thous.tenge»). The functional currency of the Company is tenge.

Foreign currency transactions. Foreign currency transactions should be translated into the functional currency of the Company at official exchange rates at the date of these transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translating to the functional currency at the exchange rate at that date. Positive or negative exchange rate differences for monetary items represents the difference between the amortized cost of the corresponding item in functional currency at the beginning of the reporting period, adjusted for interest accrued at the effective interest rate and payments for the reporting period, and the amortized cost of this item in foreign currency, translated at the exchange rate at the end of this reporting period. Non-monetary assets and liabilities denominated in foreign currencies measured at fair value are translated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items measured at primary amount in foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising from translation are recognized in profit or loss for the period.

Financial instruments. Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, other financial investments, trade and other payables.



Financial assets and liabilities. The Company measures its financial assets and liabilities at fair value upon their initial recognition, plus, transaction costs directly related to the acquisition or issue of a financial asset or financial liability obligations that are not measured at fair value through profit or loss in the case of a financial asset or financial liability. Financial instruments are reported at fair value, initial amortized cost, depending on their classification in the financial statements.

Accounts receivable. The Company classifies receivable as loans and receivables. Accounts receivable are financial assets that are not quoted in an active market and involved the receipt of fixed or determinable payments. Such assets are initially recognized at fair value increasing by the amount directly relating to the transaction. Receivables are valued at amortized cost calculated using the effective interest rate method upon deduction of impairment losses after initial recognition. Receivables include short-term trade and other receivables.

Cash and cash equivalents. Cash includes cash in hand, cash in current bank accounts, as well as cash in savings accounts with a maturity of less than 3 months.

Classification of financial liabilities. Financial liabilities are classified by following accounting categories: a) trade-related liabilities, including derivatives, and b) other financial liabilities.

Non-derivative financial liabilities. Initial recognition of financial obligations is carried out on the trade date, whereby the Company becomes a party to the contract representing a financial instrument. The Company ceases the recognition of financial obligation at the time when its obligations are terminated, cancelled or expired under the relevant contract. The offsetting process of financial assets and liabilities are representing in the balance sheet only when the Company has a legally enforceable right to offset them and intends to proceed the calculations on the net-basis, or dispose of the asset and repay the obligation at the same time. The Company classifies non-derivative financial liabilities into loans and payables. Such financial liabilities are measured at fair value on initial recognition, minus a deduction toward directly related costs. These financial liabilities are valued at amortized cost using the effective interest method after recognized initially. Other financial liabilities include short-term trade and other payables.

Cessation of recognition of financial obligations. The Company transfers financial liabilities off only if it is liquidated, cancelled or claims have expired.

Inventory. Only recognition criteria allows to record inventories as an asset (subject to a preponderance of probability of future economic benefit if the actual cost of acquiring the asset is possible to estimate). Actual cost includes purchase price, import taxes, excise taxes, transportation and other expenses attributed to the purchase of materials and services. Trade discounts, refunds and other similar items are deducted while determining acquisition costs. The Company measures the inventory in the smaller of the two parameters: the actual cost and possible net realizable price. The weighted average value method is used to estimate the disposal of inventories.

The cost of the realizable inventories is reporting as expenses in the reporting period in which the revenue associated with is recognized. The amount of any write-down of inventories is reporting as the expense during the period in which the write-down occurred.

Capital assets and intangible assets. Capital assets and intangible assets required to generate benefits are valued at cost within initially recognition. Capital assets and intangible assets are considering at cost net of accumulated depreciation upon initial recognition. Subsequent expenditures for fixed assets and intangible assets increases the carrying value of the assets if the Company is more likely to receive future economic benefits that exceed the original statutory value of the existing asset. All other repair and maintenance expenditures are referred to profit or loss for the reporting period as incurred. Property, plant and equipment include the following classes of fixed assets, which are depreciated using a straight-line method and depreciation rates:

The estimated useful lives as shown by the table below:

Name of capital assets	Lifetime (years)
Land	-
Buildings and constructions	60
Medical equipment	5 – 20
Vehicle	5 – 10
Other capital assets	5 – 20
Other machinery and equipment	5 – 10



Depreciation rates for intangible assets are set based on the economically feasible terms of their lifetime, reflecting the normal term for the reimbursement of the value of intangible assets. The lifetime of intangible assets arising from contractual and other legal rights does not exceed the term of contractual and other legal rights. Depreciation is charged from the moment the asset becomes available using a straight-line method throughout the lifetime.

The Company evaluates the remaining lifetime of fixed assets and intangible assets at least once a year at the end of each financial year and changes are recording as changes in estimates if expectations differ from previous estimates. Gains and losses resulting from the sale of fixed assets and intangible assets are included in other non-operating income (expenses) in the income statement.

Investment property. Investment property is initially recognized at cost. The cost method net of accumulated depreciation and accumulated impairment losses is applied for depreciable assets subsequently. Subsequently, depreciated assets are subject to the costing model less accumulated depreciation and accumulated impairment losses. Depreciation is accrued using a straight-line method based on the same lifetime as capital assets.

Depreciation. The Company analyses the carrying value of tangible and intangible assets for each reporting period to determine the signs indicating possible impairment losses. In the event of such evidence, the recoverable value of the assets is valued to determine any impairment losses. Impairment loss is recognized as expenses during the same period in the income statement.

Income tax. The Company calculates and pays all corresponding taxes-and-duties in accordance with the requirements of the Code of the Republic of Kazakhstan «On taxes and other obligatory payments to the budget» (Tax Code).

Lease is a rental contract, which transfers the right to use the asset for an agreed period from the lessor side to the lessee side in return for rent or series of payment.

Financial lease is a rent whereby most of the risks and benefits of ownership are transferred. Ownership can eventually be transferred or not transferred.

Operating lease is a lease whereby rental payments are recorded in the income statement as expenses distributed evenly over the lease period.

Transactions and events in foreign currency. Foreign currency transactions and events are recorded in the national currency of the Republic of Kazakhstan using the market exchange rate. Exchange differences calculated or revaluated by currency items at rates other than the rates at which they were revalued at the time of initial recognition during the reporting period are recognized as a gain or loss in that period, where they arise.

The tenge exchange rates for dates are given in the following table:

Currencies	as at 31.12.2021	as at 31.12.2020
1 USD Dollar	431,67	420,71
1 Euro	487,79	516,13
1 Russian Ruble	5,77	5,65

Employee benefits. Employee benefits include: short-term employee benefits such as wages, social security contributions, annual paid leave and sick leave with pay, compensation and guarantees as specified by the Labour Law of the Republic of Kazakhstan, lumpsum bonus paid by the management. The Company recognizes the undiscounted amount of short-term benefits payable to employees in return for the services rendered by the employee.

Estimated liabilities. Provisions are recognized if the Company has current obligations as a result of past event. To fulfill the obligations there is the possibility of resources outflow, which represents economic benefits and determination of the obligation amount. The amount of future expenditures provision recording in the accounting is the best estimate of the amount required to repay their obligations as at the reporting date, taking into account the risks and uncertainties typical for such liabilities.

Provisions amount for future expenditures are calculated on the basis of the estimated cash flow for obligations repayment. Provisions for future expenditures are defined as the present value of such cash flows (if the effect of changes in the value of money over time is significant).



Financial assets and liabilities. The Company measures financial assets or financial liabilities at fair value upon initial recognition, plus, transaction costs directly attributed to the acquisition or issue of the financial asset or financial liability obligations in the case of a financial asset or financial liability, which are not estimated at fair value through profit or loss. Financial instruments are reflected at fair value, initial amortized cost, depending on their classification in the financial statements.

Public subsidies. Public subsidies are recognized as income in the periods in which the expenses were incurred while these subsidies are intended to compensate. Subsidies compensating the costs of the current period are recognized as income from public subsidies. Subsidies related to depreciable assets are recognized as income during those periods in which the depreciation of these assets is accrued by deducting proportionally from "Deferred income account". Subsidies received for cost reimbursement to acquire fixed assets and intangible assets are recorded in "Deferred income account". Public subsidies are classified as short-term and long-term in financial statements.

Reserves. Reserves are recognized if legal obligations arose from the Company as a result of past event or obligations triggered by established practice that can be reliably estimated and there is the likelihood of an outflow of economic benefits for the settlement of this obligation.

Reserve accumulation is determined by discounting the expected cash flows at the pre-tax rate, which reflects current market estimates of the time value of money and risks inherent in the obligation. Depreciation of the discount is recognized as a financial expense.

Capital

Retained earnings (uncovered loss)

Retained earnings (uncovered loss) is forming on an accrual basis since the beginning of the Enterprise's activity.

Income

Gross, systematic and regular flow of economic benefits arising from the following transactions and events during the reporting period are considered as income. Income recognizes when significant risks and benefits of ownership transferred to the buyer with high probability of appropriate redress and the costs incurred can be reliably estimated.

Other income

Other income should be recognized when:

- there is a probability that the economic benefits associated with the transaction goes to the company;
- income amount can be reliably estimated.

Expenses

Reduction of economic benefits during the reporting period in the form of outflow or depletion of assets, or an increase in liabilities that led to a decrease in capital. In accounting, expenses are recognized under the following conditions:

- amount of consumption can be reliably determined;
- if there is a reduction of future economic benefits relates to decrease in an asset or an liabilities increase.

Netting

Financial assets and liabilities are offsetting whereby their net value is reflected in the statement of financial status only if there is a legally established right of set-off the amounts shown, as well as the intention either to offset or dispose the asset and settle the obligation.

Financing income and expenditures

Financial income includes income arisen from the cancellation of present value discount, interest earned on deposits, loans made and other invested funds. Financial costs include interest costs on loans. Financial income and expenses also include gains and losses from exchange differences related to financial assets and liabilities. Interest income and expenses are recognized based on periods using effective interest rate method. All interest and other costs incurred due to the loans are charging as part of the financing costs, except costs arose from loans received to finance the construction of fixed assets. In this case, costs capitalize to date necessary to generate the asset and prepare it for its intended use.



Dividend obligations

Dividends are recognized as liabilities and deducted from the amount of capital in the period in which they are pledged.

3. Key accounting estimates and professional judgment in the application of accounting policies

The Company uses estimates and assumptions affecting the assets and liabilities reported, as well as the amount of assets and liabilities during the following financial year. Assessments and judgments need to be continuously monitored using past experience in managing and other factors, including expectations of future events that are considered to be reasonable in the circumstances. Management also uses certain judgments in the application of accounting policies other than required evaluations. Judgments that have the greatest impact on the financial statements and estimates that may lead to the need for a significant adjustment in the carrying amount of assets and liabilities during the following year include the following:

Useful lives of fixed assets

Useful lives of fixed assets were estimated using professional judgment based on experience with similar assets. Future economic benefits of these assets will be largely learned through their use. However, other factors such as technologically or commercially obsolete as well as equipment depreciation often reduce the economic benefits associated with these assets. The management assesses the remaining useful lives of fixed assets against the current technical conditions of the assets and the estimated period during which the assets will provide economic benefits to the Enterprise.

The following main factors are taken into account:

- (a) expected lifetime of assets;
- (b) expected "physical depreciation" of equipment depending on the performance and maintenance regulations; and
- (c) moral obsolescence of equipment from a technological and commercial point of view as a result of changes in market conditions.

Management reviews the validity of assets useful lives at least on an annual basis; any changes may affect the prospective depreciation rates and the book value of assets.

Provision for impairment of inventories

Inventories are recorded at the lowest of cost and net sales. The Company is establishing a provision for impairment of inventories based on regular stocktaking and management assessment of illiquid, obsolete and other inventories with net realizable value less than cost. The provision is reflected in annual gains and losses. No provision for impairment of inventories was made during 2020 owing to the absence of impairment.

Significance threshold

The concept of materiality while preparing and reporting of the financial statement is overviewed in different concepts of producing financial statements. Although the concepts of financial reporting may vary in their description of materiality, they generally contain the following provisions:

- distortions, including omissions are considered significant if it can be reasonably expected that they will individually or collectively affect the economic decisions of users based on financial statements;
- judgments of materiality are forming taking into account the attendant circumstances and depend on the size and (or) distortion of the image;
- judgments of what specific issues are significant for users of financial statements are forming taking into account the general needs for financial information among users as representatives of a single group [1]. Possible consequences of distortions for individual specific users whose information needs may differ significantly are not taken into account.

4. Application of new or unchanged standards and interpretations

➤ **IFRS 15 «Proceeds under contracts with buyers»**

IFRS 15 «Receipts under contracts with buyers» released in May 2014 establishes a new five-step model that will apply to receipts arising under contracts with customers. In accordance with IFRS 15, revenue is recognized in the amount that an organization expects to receive in exchange for the transfer of goods or services to a customer. IFRS 15 principles provide a more structured approach to revenue measurement and recognition. New revenue recognition standard is applicable to all organizations and will replace all existing revenue recognition requirements. Either full or modified retrospective application is required for year periods starting January 1, 2018 or after this date with early application allowed.

Since 2018, the Company has been applying a new standard and recognizing income in accordance with IFRS 15. The new standard has no significant impact on the financial statements of the Company.



➤ **IFRS 16 «Lease»**

In January 2016, the IFRS Board published IFRS 16 «Lease», which replaces IFRS (IAS) 17 «Lease». In accordance with a new standard, lessees would be required to reflect most leases in the statement of financial position: the asset in the form of right of use and the lease obligation. IFRS 16 does not require the lessee to recognize the right to use the asset in financial status statement and the corresponding lease obligation in cases of short-term lease (lease term no more than 12 months) and lease with low valued asset base. Lessors will continue to classify all lease agreements as financial or operating leases. IFRS 16 «Lease» entered into force for reporting periods either since January 1, 2019 or after this date. In the reporting year the Company assessed the impact of IFRS 16 confirming no effect of the application of the new IFRS 16 «Lease» standards. There are no valid leases in the Company. The Company does not lease real estate or renting.

Standards and Interpretations adopted this year

Amendments to IFRS (IAS) 19: «Program changes, program reductions or program liabilities»

Whereby amendments indicate changing, reducing or resolving a plan during the annual reporting period the Company has to:

- determine the current cost of services for the remaining period after making changes, reductions or calculations to the plan using actuarial assumptions to reassess net liabilities (asset) reflecting the benefits offered within the framework and after this event;
- determine the net interest rate for the remaining period after making changes, reductions or calculations to the plan using: a defined benefit obligation (asset) that reflects the benefits offered in accordance with the plan and plan assets after this event; and the discount rate used to reassess this net defined benefit obligation (asset).

These amendments did not affect the financial statements of the Company, since during the reporting period there were no changes to the program, reduction of the program or repayment of obligations under the program.

Amendments to IFRS (IAS) 28: "Long-term Investments in associated organizations and joint enterprises"

Amendments clarify that the Company applies IFRS 9 to long-term rates of participation in associated organizations or joint enterprises without equity method application, but which essentially form a part of the net investments into associated organization or joint enterprise (long-term rates of participation). This clarification is relevant as it implies that the expected credit loss model by IFRS 9 is applying to such long-term rates of participation.

In accordance with the amendments the Company does not account for any loss of associated organizations or joint enterprises or impairment loss on net investments that are recognized as adjustments to the net investment using IFRS 9, which are as net investment adjustments into associated organizations or joint enterprises arises as a result of IFRS (IAS) 28 "Investments in associated and joint enterprises". These amendments did not affect the financial statements of the Company, as it does not have considered as long-term investments into associated organizations and joint enterprises.

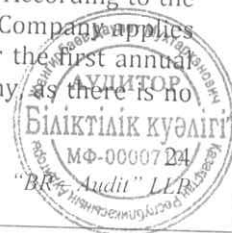
Annual Improvements to IFRS 2015-2017

IFRS 3 Association of Business

In accordance with the amendments if the Company takes control over the joint enterprise it applies requirements for business integration gradually, including stock reassessment previously held in assets and liabilities of joint operation at fair value. At the same time, the buyer reassesses all his previously interest in the joint operation. The Company applies these amendments to business association for which the acquisition date starts at the beginning or after the beginning of the first annual reporting period or after this date. These amendments did not affect the financial statements of the Company, as there were no transactions with obtained joint control.

IFRS 11 Agreements of joint activities

If the Company takes part in activity but does not have joint control over a joint operation it may obtain joint control over a joint operation where the joint operation is a business, as defined in IFRS 3. According to the amendments previously owned interests in this joint operation are not overestimated. The Company applies those amendments to transactions where it obtains joint control at the beginning or after the first annual reporting period. These amendments did not affect the financial statements of the Company as there is no transaction for which joint control was obtained.



IFRS (IAS) 23 "Borrowing Costs"

According to the amendments the Company is considering any loans as part of general borrowings originally issued to develop a qualifying asset when virtually all the steps necessary to prepare the asset for its intended use or sale have been completed. The Company applies those amendments to borrowing costs arisen at the beginning or after the beginning of the annual reporting period. These amendments have not substantively impacted the financial statements of the Company.

New and revised IFRS – issued but not effective yet

IFRS 17 "Insurance Contracts"

In May 2017, the IASB issued IFRS 17 "Insurance Contracts", a new comprehensive financial reporting standard for insurance contracts that addresses information for recognition, measurement, presentation and disclosure. IFRS 4 "Insurance contracts" issued in 2005 will be replaced by IFRS 17 when it comes into force. The main objective of IFRS 17 is to provide an insurance contract accounting model which is more effective and consistent for insurers. IFRS 17 provides a comprehensive accounting model for insurance contracts, covering all relevant aspects of accounting in comparison to IFRS 4 requirements based on previous local accounting policies. IFRS 17 comes into force for reporting period with comparative data required. This standard is not applicable to the Company.

Amendments to IFRS 3 "Business Definition"

In October 2018, the IASB issued amendments to IFRS 3 "Business Associations", which changed the definition of the term "business" and should help organizations to determine whether the acquired combination of activities and assets is a business or not.

Such amendments specifies the minimum business requirements, excludes the assessment of whether market participants are able to replace any missing element, develops the management to evaluate whether the acquired process is significant, narrows down the definition of business and returns, and introduces an optional test for availability concentration of fair value.

As these amendments applied prospectively relating to transactions or other events that occur on or after the date of their initial application, these amendments will not have a significant influence on the financial statements of the Company.

Amendments to IFRS(IAS) 1 and IFRS (IAS) 8 – «Definition of materiality»

In October 2018, the IFRS Board issued amendments to IFRS (IAS) 1 «Financial Reporting» and IFRS (IAS) 8 «Accounting Policies, Changes in Accounting Estimates and Errors» to agree on the definition of materiality in different standards and to clarify certain aspects of the definition. According to a new definition "information is material if it can be reasonably expected that its omission, misstatement or disguise will affect the decisions of major users of general-purpose financial statements made by them on the basis of the financial statements, providing financial information about a specific reporting organization». Adjustments to the definition of materiality are not expected to have a significant impact on the financial statements of the Company. The management expects that the application of new and revised standards will not have a significant impact on financial reporting in general.

5. Cash and cash equivalents

in thousands of KZT

Name	31.12.2021	31.12.2020
Cash at the checkout	242	625
Cash on settlement accounts in the bank in tenge	881 938	1 171 917
Cash on deposit	1 518 850	1 070 497
Provisioning for impairment cash loss	(2922)	-
Total	2 398 108	2 243 039

In accordance with IFRS standards the Company established provisioning for impairment cash loss placed on deposits.



6. Short-term trade and other receivables

in thousands of KZT

Name	31.12.2021	31.12.2020
Short-term receivables from buyers and customers	252 926	335 834
Short-term receivables from employees	11 600	36
Other short-term receivables	3 718	1 668
Short-term rental receivables	3 377	622
Minus: reserve for doubtful debts	(36 682)	(5 846)
Total	234 939	332 314

As for December 31, 2021, short-term receivables amounted to a total of 234,939 thousand tenge, and the share in the balance sheet currency was 1.9% (234 939:12 674 411).

Of these total, 92% are receivables of JSC "Social Medical Insurance Fund" (233,894.0 thousand tenge) for services rendered in December 2021.

*Transcript of short-term receivables from buyers and customers as of 12/31/2021:
in thousands of KZT*

Name of the debtor	Sum	Base	Planned maturity date
SOS Medical Assistance LLP	1 552	Contract №11, 05.02.2015	2022
University Medical Center CF	1 994	Contract №DPMRB-91/5, 18.01.2021	2022
"Mediker" LLP	1 301	Contract №APPS01/20/033, 06.01.2020	2022
Musabekov Islambek Kambarovich	318	Contract №164, 31.12.2020	2022
Naumov Anatoli Petrovich	2 131	Contract №584, 20.12.2014	2022
JSC "Social Medical Insurance Fund"	233 894	Contracts: №C-15 -0121-00194-G, №C-15-0121-00195-O 31.12.2020	2022
Others	11 736		2022
Total	252 926		

During the audit, we received Company's employee reconciliation statements with debtors at the end of the reporting year, confirming the existence of accounts receivable.

7. Short-term lease receivables

in thousands of KZT

Name	31.12.2021	31.12.2020
University Medical Center CF	86	86
LLP "New Medical TD"	766	204
Alina G.O SP	1 865	-
Toybazarova Alma Doldanovna SP	202	-
LLP "ALTACO-XXI"	230	-
Others	228	332
Total	3 377	622

If the period of the arisen receivables exceeds the period from the date of formation by more than one year, then such receivables must be reclassified into long-term receivables. The accounting service should continuously monitor such debtors and timely refer them to the appropriate class for the period.

The notes to the financial statements should disclose the existence of long-term receivables, indicating the date of formation and expected maturity.

The misclassification of receivables into short-term and long-term debt is misleading users of financial information.

We recommend to reclassify receivables on counterparts and attribute them to long-term accounts receivable.



8. Inventories
in thousands of KZT

Components of inventories	Closing balances	Opening balances
-Medical consumables	225 441	199 806
-Surgical supplies	311 730	240 221
- Medicines	57 035	43 023
- Household goods	53 555	48 499
- Spare parts	54 027	43 847
- Chemical reagents	22 143	18 040
- Solid inventory, dishes	4 648	3 231
- Soft inventory	13 457	17 733
- Materials for laboratories	28 110	16 883
- Fuel	3 950	3 497
- Materials for computer technology	6 198	6 071
- Stationery	7 223	6 573
- Others	197	2 824
- Minus: reserve for obsolete and illiquid inventories	-	-
Total	787 714	650 248

In total, stocks as of December 31, 2021 amounted to a total of 787,714.0 thousand tenge, that is, they increased by 137,466.0 thousand tenge due to an increase in the cost of medicines and medical products.

According to the Accounting Policy of the Company, inventory of inventory holdings is carried out once a year, without fail before drawing up annual financial statements. The inventory of inventories was carried out in accordance with Order 07-2/361 from 29.19.2021. The main purpose of the inventory of goods is to ensure the safety of the Company's property. The Company did not create reserves for inventory impairment. The audit was presented with inventory records, as a result of which shortages and surpluses of inventory and fixed assets were not found.

9. Other short-term assets
in thousands of KZT

Name	31.12.2021	31.12.2020
Short-term advances issued	1 083	6 316
Short-term prepaid expenses	721	2 742
Other short-term assets	20	20
Total	1 824	9 078

10. Other long-term financial assets
in thousands of KZT

Name	31.12.2021	31.12.2020
Other long-term financial investments	41 580	41 580
Total	41 580	41 580

Investments include the acquisition of shares of "Astanaenergосervice" JSC, including:

- under the Agreement on Acceptance of Property in the Authorized Capital No. 48 / 12-4-AES / 94 dated December 29, 2012, 258 ordinary shares were transferred at a price of 45,000 tenge per share for a total amount of 11,610 thousand tenge;
- under the Agreement on Acceptance of Property in the Authorized Capital No. 10-4-NPP dated June 17, 2013, 666 ordinary shares were transferred at a price of 45,000 tenge per share for a total amount of 29,970 thousand tenge.



11. Property, plant and equipment
in thousands of KZT

	Buildings and facilities	Medical equipment	Machinery and equipment	Vehicle	Other classes of PPE	Construction in process	Total
Balance value as at 01.01.2021	2 552 981	5 462 950	102 572	10 377	100 377	1 184 816	9 414 073
Initial cost as at 31.12.2020	3 562 685	8 187 987	516 518	49 164	853 957	1 184 816	14 355 126
Received	-	373 311	111 811	-	29 962	68 152	583 236
Disposal	-	(127 929)	(4 110)	(377)	(15 891)	-	(148 307)
Transactions/reclass	1 252 968	809	3 042	-	14 348	(1 252 968)	18 199
Initial cost as at 31.12.2021	4 815 653	8 434 178	627 261	48 787	882 376	0	14 808 255
Accumulated depreciation as at 31.12.2020	1 009 704	2 646 872	413 946	38 787	753 579	0	4 862 888
Accumulated depreciation	(102 366)	(658 467)	(31 982)	(1 562)	(19 624)	-	(822 694)
Depreciation (disposal)	-	81 013	3 965	376	15 785	-	101 139
Transactions/reclass	-	123	(11 033)	-	(3431)	-	(14 341)
Accumulated depreciation as at 31.12.2021	1 112 070	3 224 203	452 996	39 973	769 542	0	5 598 784
Provision as at 31.12.2020	-	(78 165)	-	-	-	-	(78 165)
Accrued	-	(117 130)	-	-	-	-	(117 130)
Decreased	-	5 560	-	-	-	-	5 560
Provision as at 31.12.2021	-	(189 735)	-	-	-	-	(189 735)
Balance value as at 31.12.2021	3 703 583	5 020 240	174 265	8 814	112 834	0	9 019 737

Construction in progress as "Major overhaul, including comprehensive work on technical survey, design with the receipt of a state expert opinion, repair work in the building (including the roof) in the Company" and "Reconstruction of residential buildings, structures, premises for Gamma Knife" is referred to the balance item "Buildings and structures" for a total amount of 1,252,968.0 thousand tenge.

In accordance with a new accounting policy approved by the Board of Directors dated January 27, 2022 No. 1, periods of useful lives for PPE in "Medical equipment" group were revised from "20" to "07 - 15" years, in particular in " Medical equipment based on the use of X-ray, as well as alpha, beta or gamma radiation, including CT scan, MRI, PET". It is proposed to accept new depreciation rates for a period of "15" years of this group to PPE into service for the period from 2008 to 2021 and place from January 01, 2021. It was also decided to create an impairment provision in the amount of 117,130.0 thousand tenge in accordance with standards 16 and 36 IFRS for medical equipment with service life expiring in the coming years and for which the technical support of the manufacturer and the supply of spare parts will be terminated..



16. Short-term estimated liabilities
in thousands of KZT

Name	31.12.2021	31.12.2020
Short-term estimated liabilities	106 354	63 683
Total	106 354	63 683

17. Employee benefits
in thousands of KZT

Name	31.12.2021	31.12.2020
Wage arrears	34 763	20 090
Provision for leave	32 160	7 519
Pension obligations	9 440	2 286
Total	76 363	29 895

18. Short-term part of government subsidies
in thousands of KZT

Name	31.12.2021	31.12.2020
Short-term part of government subsidies	137 052	98 766
Total	137 052	98 766

19. Other current liabilities
in thousands of KZT

Name	31.12.2021	31.12.2020
Short-term advances received	43 527	24 348
Tax liabilities	19 747	4 292
Obligations for other mandatory and voluntary payments	530	647
Other payables	99 772	137 046
Total	163 579	166 333

20. Long-term lease debt
in thousands of KZT

Name	31.12.2021	31.12.2020
Long-term land lease debt	13 449	-
Short-term land rental debt	(51)	-
Total	13 398	-

21. Long-term financial liabilities
in thousands of KZT

Name	31.12.2021	31.12.2020
Government subsidies	2 058 064	2 233 392
Total	2 058 064	2 233 392

Government subsidies were received by the Company for the purchase of medical equipment under a financing agreement: No. 108 / 4-2012 / 78 dated 02.11.2012, No. 081-2013 / 47 dated 21.06.2013, No. 254-2014 / 147 dated 12.12.2014, No. 269- 2014/157 from 25.12.2014, No. 346-2016 / 139 from 26.09.2016. and repair of the roof of the building. The Company does not have any unfulfilled conditions or contingent liabilities in connection with these subsidies. During 2021, the Company recognized amortization of income in the amount of 137,042.0 thousand tenge.



22. Capital

in thousands of KZT

Articles	31.12.2021	31.12.2020
Authorized capital	9 223 040	9 223 040
Profit of the reporting year	8 475	5 792
Retained earnings (Uncovered loss)	833 189	831 451
Total Capital	10 064 704	10 060 283

As of December 31, 2021, the authorized capital of the Company in the total amount of 9,223,040.0 thousand tenge consists of ordinary shares in the amount of 9,223,040 shares with a par value of 1,000 tenge per share.

23. Income from the sale of products and the provision of services

in thousands of KZT

Name of income	31.12.2021
GVFMC, OSHI	6 788 474
Paid medical services	505 646
Paid services, science	449
Research and development services	371 942
Educational services	17 828
Science	9 359
Paid educational services	22 060
Total	7 715 758

24. Cost of goods sold and services rendered

in thousands of KZT

Naming of expenditures	31.12.2021
Wages and related taxes	2 953 510
Surgical stocks	1 774 123
Depreciation and amortization	825 732
Amortization right-to-use of asset	288
Medical consumables	580 694
Medical suppliers	157 319
Service and repair	233 743
Public utilities	134 478
Provision for unused leave	175 218
Catering	57 404
Fuel	3 922
Taxes other than on income	8 711
Others	390 605
Total	7 295 747

25. Administrative expenses

in thousands of KZT

Naming of expenditures	31.12.2021
Wages and related taxes	465 722
Provision for used leave	35 040
Maintenance cost	18 441
Bank services	6 299
Travel expences	479
Expences for training	2 284
Communication services	1 303
Stationery	1 018
Depreciation and amortization	66
Others	27 009
Total	557 661



26. Finance income

in thousands of KZT

Naming of income		31.12.2021
Income from remuneration		78 884
Finance lease income		5 225
Total		84 109

27. Finance expenses

in thousands of KZT

Naming of expenditures		31.12.2021
Fee expenses		14 203
Total		14 203

28. Other income

in thousands of KZT

Name of income		31.12.2021
Gains on disposal of assets		14
Income from assets received free of charge (inventories)		8 645
Government subsidy revenues		137 042
Other income		61 676
Excess of positive exchange rate difference		42 005
Total		249 382

29. Other expenses

in thousands of KZT

Name of expenditures		31.12.2021
Impairment costs of assets		117 130
Expenses from disposal of fixed assets		55 987
other expenses		46
Total		173 163

30. Related party transactions

For the purposes of these financial statements, parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. When considering the possible relationship of related parties in each case, attention is drawn to the essence of the relationship, and not just to the legal form.

Remuneration of key management personnel of the Company

For 2021, the total amount of remuneration to key management personnel (chairman of the board, deputy chairman, medical director, director of nursing, director of strategy and science, financial director) amounted to 192,993 thousand tenge.

The following payments were made to key management personnel during the year, which are included in employee benefits expenses:

Indicators, thous.tenge	2021
Salaries and other payments	176 401
Social tax and social security contributions	16 592
Total	192 993



The Company pays short-term remuneration to key management personnel in the form of salaries, which are reflected in general administrative expenses.

31. Contractual liabilities, contingent liabilities and operational risks

Operational environment

The Company is conducting its core activities in the territory of the Republic of Kazakhstan. Legislation and governing laws that regulate entrepreneurial activity in the Republic of Kazakhstan are subject to frequent changes, in this regard, the acts and operations of the Company may be at risk due to negative changes in the political and entrepreneurial environment.

Taxation

Kazakhstan's tax legislation and regulations are subject to ongoing changes and varying interpretations. Instances of inconsistent opinions between local, regional and national tax authorities are occurred. Currently applied to a system of fines and penalties for discovered violations of Kazakhstan's tax laws are severe. As a result, the amount of penalties and interest may be several times the amount of any assessed taxes. Fiscal periods remain open to review by tax authorities for five (5) calendar years preceding the year in which the inspection is carried out, except for the excess profits tax. Under certain circumstances reviews may cover longer periods. Because of the uncertainties associated with the Kazakhstan tax system, the amount of taxes, penalties and interest, if any, may exceed the amount expensed to date and accrued at December 31, 2021.

As at 31 December 2021, the management believes that its interpretation of the relevant legislation is correct and probably the Company's tax position will be sustained.

Insurance

The company insures its assets, undertaken operations and civil liability.

32. Risk management

The function of the Company's risk management covers financial risks (credit, market, liquidity and interest rate), operational and legal risks. Main objective of the financial risk management is to establish risk limits and continue to enforce compliance with established limits. Operational and legal risks management should ensure the reliable internal policies and procedures of the Company in order to minimize these risks.

Market risk

Market risk is the risk that the fair value of future cash flows on financial instrument will fluctuate due to changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign exchange risk and other price risks.

Operational risk

This is the risk arising during current operating activities that leads to disruption of the normal cycle of production, slowing down or lowering of sales of finished products, as well as due to unexpected changes in the legislative and regulatory requirements that lead to unexpected financial and operational losses.

Policy of operational risk management is considered as an important element of the corporate culture of the Company and is brought to the attention of all employees of the functional divisions. The company supports the effective exchange of information necessary for the operational and strategic management of operational risks between the Company's management and all functional divisions.

Currency risk

This is the risk when the value of monetary assets and foreign exchange liabilities will fluctuate due to changes in foreign exchange rates.

Credit risk

The Company's policy is to assess the creditworthiness of those customers who intend to buy on credit up to a certain amount. The Company regularly monitors its exposure to bad debts in order to minimize such vulnerability. Financial reliability of counterparties is regularly monitored by the management using its knowledge of local market conditions.



The maximum exposure to credit risk is represented by book value of each asset at the reporting date:
in thousands of KZT

Items	31.12.2021
Receivables	231 562
Cash and cash equivalents	2 398 108
Maximum credit risk, total	2 629 670

Liquidity risk

The main Company's objective is to ensure its ability to liquidate all obligations as they mature within liquidity risk management. The Company monitors the risk of cash shortages using long-term forecasts of expected cash flows for operational activities. Current liquidity is satisfactory.

33. Fair value of financial instruments

As at 31 December 2021, all monetary assets and liabilities of the Company are mainly recorded at fair value. The current value of monetary assets and liabilities is approximately equal to their fair value owing to the short-term nature of financial instruments.

34. Events after the reporting date

There are no changes in doing business from January 1, 2021 through April ____, 2022 after the reporting date.

There is no movement in the authorized capital.

Transactions with debtors and creditors are carried out in the same way as in previous periods.

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)



(signature)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)



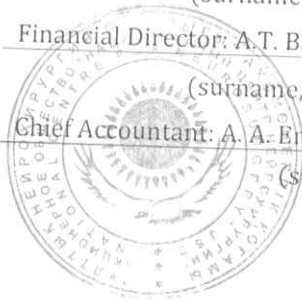
(signature)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



(signature)



JSC "National Center of Neurosurgery" Financial Statement as at 31.12.2021

Name of item	Notes	at the end of reporting date - 31.12.2021	at the beginning of reporting date - 31.12.2020
Long-term assets			
Property, plant and equipment	6.1	9 019 737	9 414 073
Intangible assets	6.2	35 693	8 485
Right-of-use assets	6.3	13 161	
Other financial assets	6.4	41 580	41 580
Long-term financial assets receivables	6.5	154 873	149 648
Long-term assets, total		9 265 044	9 613 786
Current assets			
Inventories	6.6	787 714	650 248
Receivables	6.7	234 939	332 936
Advance payment on corporate income tax			
Prepayment on other taxes	6.8		
Cash and cash equivalents	6.9	2 398 108	2 243 039
Other current assets	6.10	1 824	9 078
Current assets, total		3 422 585	3 235 301
Total assets		12 687 629	12 849 087
Capital and liabilities			
Share capital	6.11	9 223 040	9 223 040
Paid-up capital	6.12		
Reserve capital	6.13	409 259	409 259
Retained earnings	6.14	432 405	427 984
Total capital		10 064 704	10 060 283
Long-term liabilities			
Long-term lease paybles		13 398	
Government subsidies	6.15	2 058 064	2 233 392
Total long-term liabilities		2 071 462	2 233 392
Current liabilities			
Government subsidies	6.16	137 052	98 766
Accounts payable	6.17	68 115	196 735
Paybles to staff	6.18	76 363	29 895
Other current liabilities	6.19	269 933	230 016
Total current liabilities		551 463	555 412
Total capital and liabilities		12 687 629	12 849 087

Chairman of the Management Board: S.K. Akshulakov

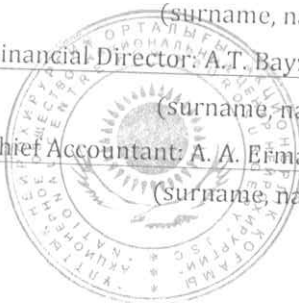
(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



(Signature)
(signature)

(Signature)
(signature)

(Signature)
(signature)



JSC "National Center of Neurosurgery" Income Statement as at 31.12.2021

Name of item	for the reporting period - 2021	for the preceding period - 2020
Service revenue	7 715 758	5 355 717
Cost of services rendered	(7 295 747)	(5 217 866)
Gross profit (loss)	420 011	137 851
General and administrative expenses	(557 661)	(474 601)
Revenues from government subsidies	137 042	75 517
Other income	70 335	55 643
Other expences	(173 163)	(113 751)
Loss from operating activities	(103 436)	(319 341)
Foreign exchange expense/gain, net	42 005	201 156
Financial revenues	69 906	123 977
Impairment loss on property, plant and equipment		
Loss/gain on disposal of property, plant and equipment		
Other gains and losses		
Profit before tax	8 475	5 792
Corporate Income Tax Expense		
Profit for the reporting year for the year	8 475	5 792
Other comprehensive income for the reporting year		
Total comprehensive income for the reporting year	8 475	5 792

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)



(signature)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)



(signature)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



(signature)



JSC "National Center of Neurosurgery" Cash Flow Statement (direct method) as at 31.12.2021

Name of item	for the reporting period - 2021	for the preceding period - 2020
I. Cash flow from operating activities		
1. Cash receipt, total	7 925 499	8 424 030
including:		
Receipt from services rendered	6 040 953	4 303 256
Advances received from buyers, customers	1 759 881	954 332
Rewards received	72 364	135 344
Other receipts	52 301	3 031 098
2. Cash disposal, total	(7 251 325)	(8 233 450)
including:		
payments to suppliers for goods and services	(3 641 132)	(2 939 338)
advances issued to suppliers of goods and services	(3 778)	(8 096)
payments to staff	(2 889 036)	(1 767 018)
payment of remuneration		
payments under insurance contracts		
income tax and other payments to the budget	(618 850)	(627 228)
other payments	(98 529)	(2 891 770)
3. Net cash from operating activities	674 174	190 579
II. Cash flow from investing activities		
1. Cash receipt, total		
including:		
closing bank deposits		
proceeds from the sale of apartments under financial lease agreements		
acquisition of property, plant and equipment and intangible assets		
realization of equity instruments of other organizations (except subsidiaries) and interests in joint venture		
realization of debt instruments of other organizations		
reimbursement in case of loss of control over subsidiaries		
realisation of other financial assets		
futures and forward contracts, options and swaps		
dividends received		
received rewards		
other receipts		
2. Cash disposal, total	(515 051)	(1 798 278)
including:		
acquisition of property, plant and equipment and intangible assets	(515 051)	(1 798 278)
acquisition of intangible assets		
acquisition of other long-term assets		
acquisition of equity instruments of other organizations (except subsidiaries) and interests in joint ventures		
acquisition of debt instruments of other organizations		
acquisition of control over subsidiaries		
acquisition of other financial assets		
provision of loans		
futures and forward contracts, options and swaps		
investments in associates and subsidiaries		
3. Net Cash from Investment Activities	(515 051)	(1 798 278)
III. Cash flow from financing activities		
1. Cash receipt, total		
including:		



JSC "National Center for Neurosurgery"

government subsidies		
share issue		
dividend payout		
issue of shares and other financial instruments		
obtaining loans		
received rewards		
other receipts		
2. Cash disposal, total	(4 054)	(2 776)
including:		
repayment of loans		
payment of remuneration		
dividend payout		
payments to owners on shares of the organization	(4 054)	(2 776)
other disposals		
3. Net Cash from Financing Activities	(4 054)	(2 776)
4. Effect of exchange rates to tenge		
5. Increase +/- decrease in funds	155 069	(1 610 474)
6. Cash and cash equivalents at the beginning of the reporting period	2 243 039	3 853 513
7. Cash and cash equivalents at the end of the reporting period	2 398 108	2 243 039

Chairman of the Management Board: S.K. Akshulakov

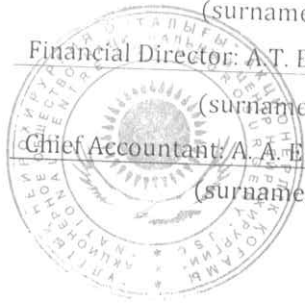
(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A.A. Ermaganbetova

(surname, name, patronymic)



(Handwritten signature)

(signature)

(Handwritten signature)

(signature)

(Handwritten signature)

(signature)



JSC "National Center of Neurosurgery" Statement of Changes in Equity as at 31.12.2021

Content	Share capital	Paid-in capital	Reserve capital	Retained earnings (uncovered loss)	Total capital
Сальдо на 31.12.2020 года	9 223 040	385 734	23 525	427 984	10 060 283
Changes in accounting policy and mistakes					-
Restated balance					-
Aggregated profit for a year					-
Dividends					-
Investments disposal					-
Income (loss) not recognized in the statement of income and expenditure					-
Tax effect					-
Aggregated income for a year				8 475	8 475
Dividends				(4 054)	(4 054)
Payment of shares (constituent contributions)					
Paid-in capital					
Seigniorage					
Balance at 31.12.2021	9 223 040	385 734	23 525	432 405	10 064 704

Chairman of the Management Board: S.K. Akshulakov

(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



(signature)



(signature)



(signature)

