



JSC "National Center for Neurosurgery"

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

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CONFIRMATION OF THE MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

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 consolidated financial statement of the JSC "National Center for Neurosurgery" (hereinafter – the "Company").

The Company's management is responsible for the preparation of consolidated financial statements that present fairly its financial position at 31 December 2020 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.

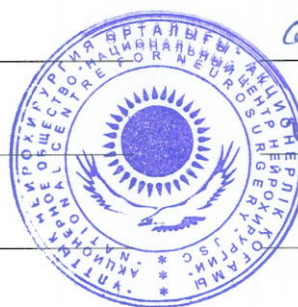
The management reasonably assumes that the Company will continue its operations in the foreseeable future. The financial statements, therefore, are prepared in accordance with the principle of continuous operation.

The consolidated financial statement for the year ended 31 December, 2020 was authorized for issue on 15 April, 2020 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)



(signature)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

(signature)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)

(signature)

JSC "National Center for Neurosurgery"

«15» _April_2021, Almaty, the Republic of Kazakhstan
Ref. №3/O

«Approved»
by Director of «BR-Audit» LLP
General State License №19009585
issued by the Ministry of Finance dated 25.04.2019
М. Zhangirbayev
«15» April 2021



INDEPENDENT AUDITOR'S REPORT

To:

Founders and Management

JSC "National Center for Neurosurgery"

Opinion

We have audited the accompanying consolidated financial statement of the JSC "National Center for Neurosurgery" (further - «Company»), which comprise the statement of consolidated statement of financial position as at 31 December 2020 and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement cash flows 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, 2020.

In our opinion, the consolidated financial statements present fairly, in all material aspects, the financial status of the JSC "National Center for Neurosurgery" as at 31 December 2020, 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

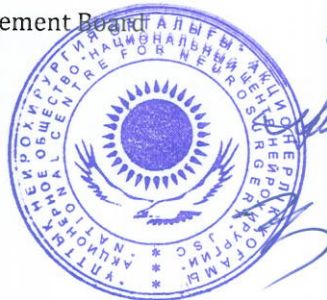
Statement of Financial Position of JSC "National Center of Neurosurgery" as at 31 December 2020

Article	Note.	At the end of the reporting period 31.12.2020	As of the beginning of the reporting period on 31.12.2019
Non-current assets			
Fixed assets	6.1	9 414 073	6 598 011
Intangible assets	6.2	8 485	11 976
Advances issued	6.3		1 524 985
Other financial assets	6.4	41 580	41 580
Long-term finance lease receivables	6.5	149 648	193 195
Total non-current assets		9 613 786	8 369 747
Current assets			
Inventory	6.6	650 248	585 983
Accounts receivable	6.7	332 936	231 707
Prepayment of corporate income tax			
Prepayments for other taxes	6.8		
Cash and cash equivalents	6.9	2 243 039	3 853 513
Other current assets	6.10	9 078	6 906
Total current assets		3 235 301	4 681 109
Total assets		12 849 087	13 047 856
Equity and liabilities			
Authorized capital	6.11	9 223 040	9 223 040
Additional paid-in capital	6.12		
Reserve capital	6.13	409 259	409 259
Retained earnings	6.14	427 984	424 969
Total equity		10 060 283	10 057 268
Long-term liabilities			
Long-term accounts payable			-
Government subsidies	6.15	2 233 392	2 360 588
Total non-current liabilities		2 233 392	2 360 588
Current liabilities			
Government subsidies	6.16	98 766	47 088
Accounts payable	6.17	196 735	387 026
Debt to employees	6.18	29 895	17 214
Advances received			
Other current liabilities	6.19	230 016	178 672
Total current liabilities		555 412	630 000
Total equity and liabilities		12 849 087	13 047 856

Chairman of the Management Board

Financial Director

Chief Accountant



S.K. Akshulakov

A.T. Bayzhumanova

A. A. Ermaganbetova

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JSC "National Center for Neurosurgery"

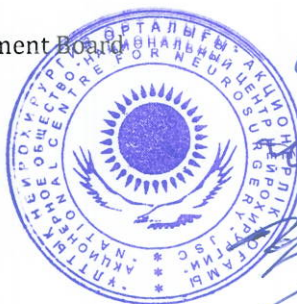
**Statement of profit and loss and other comprehensive income of JSC "National Center of Neurosurgery"
for the year ended 31 December 2020**

Name of indicators	For the reporting period 2020	For the previous period 2019
Revenue from the provision of services	5 355 717	5 334 367
Cost of services rendered	(5 217 866)	(5 166 901)
Gross profit (loss)	137 851	(167 466)
General and administrative expenses	(474 601)	(400 256)
Income from government subsidies	75 517	47 088
Other income	55 643	240 125
Other expenses	(113 751)	(191 636)
Loss from operating activities	(319 341)	(137 213)
Foreign exchange expense/gain, net	201 156	(14 978)
Financial income	123 977	154 967
Impairment loss on property, plant and equipment		
Loss/gain on disposal of property, plant and equipment		
Other gains and losses		
Profit before tax	5 792	2 766
Corporate income tax expense		
Profit for the reporting year for the year	5 792	2 766
Other comprehensive income for the year		
Total comprehensive income for the reporting year	5 792	2 766

Chairman of the Management Board

Financial Director

Chief Accountant



S.K. Akshulakov

A.T. Bayzhumanova

A. A. Ermaganbetova



**Statement of cash flows of JSC "National Center of Neurosurgery" (direct method) for the year ending
December 31, 2020**

Name of indicators	For the reporting period 2020	For the previous period 2019
I. Cash flows from operating activities		
1. Receipt of funds, total	8 424 030	5 939 431
including:		
receipt from services rendered	4 303 256	4 231 661
Advances received from buyers, customers	954 332	1 159 976
Rewards received	135 344	133 969
Other income	3 031 098	413 825
2. Cash outflow, total	(8 233 450)	(5 822 046)
including:		
payments to suppliers for goods and services	(2 939 338)	(3 003 531)
advances issued to suppliers of goods and services remuneration	(8 096)	(28 877)
Salary	(1 767 018)	(1 761 790)
payments remuneration payments		
payments under insurance contracts		
income tax and other payments to the budget	(627 228)	(314 736)
other payments	(2 891 770)	(713 112)
3. Net cash from operating activities	190 580	117 385
II. Cash flows from investing activities		
1. Receipt of funds, total		
including:		
the closure of Bank deposits		
proceeds from the sale of apartments under Finance leases		
purchase of fixed assets and intangible assets		
sale of equity instruments of other companies (excluding subsidiaries) and shares in joint ventures		
sale of the debt instruments of other organizations		
compensation for loss of control over subsidiaries		
sale of other financial assets		
futures and forward contracts, options and swaps		
dividends received		
remuneration received		
other income		
2. Cash outflow, total	(1 798 278)	(275 274)
including:		
purchase of fixed assets and intangible assets	(1 798 278)	(275 274)
purchase of intangible assets		
the acquisition of other long-term assets		
purchase of equity instruments of other companies (excluding subsidiaries) and shares in joint ventures		
the acquisition of debt instruments of other organizations		
the acquisition of control over subsidiaries		
the acquisition of other financial assets		
provision of loans		
futures and forward contracts, options and swaps		
investments in associates and subsidiaries		
3. Net cash from investing activities	(1 798 278)	(275 274)
III. Cash flows from financing activities		
1. Receipt of funds, total		
including:		
government subsidies		



Report on changes in equity for JSC "National Center of Neurosurgery" for 2020

contents	share capital	additional paid-in capital	reserve capital	retained earnings (uncovered loss)	total equity
Balance as of 31.12.2019	9 223 040	385 734	23 525	424 969	10 057 268
Changes in accounting policies and errors					-
Recalculated balance					-
Comprehensive income for the year					-
Dividends					-
Disposal of investments					-
Income (loss) not recognized in the statement of income and expenses					-
Tax effect					-
Comprehensive income for the year				5 792	5 792
Dividends				(2 776)	(2 776)
Payment of shares (foundation fees)					
Additional paid-in capital					
Share premium					
Balance as of 31.12.2020	9 223 040	385 734	23 525	427 984	10 060 283

Chairman of the Management Board

Financial Director

Chief Accountant



S.K. Akshulakov

A.T. Bayzhumanova

A. A. Ermaganbetova



Notes to the financial statements for the year ended December 31, 2020

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, 2020, 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), Chief Accountant A. A. Ermaganbetova (since 15 of February 2010) are responsible for the presented financial statements in accordance with the legislation of the Republic of Kazakhstan.

The auditor is responsible for the expressed opinion on the actual results obtained on the basis of the audit performed.



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 Society 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 (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. Reported 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



JSC "National Center for Neurosurgery"

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.

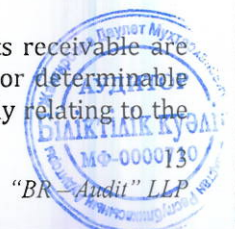
Currency of financial reporting. Unless stated otherwise, the numbers reported in these financial statements are expressed in thousands of Kazakhstan tenge («thous.tenge»). The functional currency of the Company is tenge.

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



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.

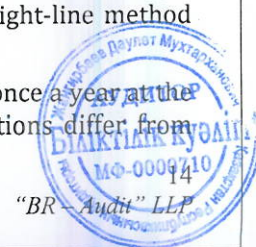
Capital assets and intangible assets. Capital assets and intangible assets required to generate benefits are valued at cost within initially recognition. Capital assets and intangible assets are considering at cost net of accumulated depreciation upon initial recognition. Subsequent expenditures for 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	20 – 60
Medical equipment	5 – 20
Vehicle	5 – 10
Other capital assets	5 – 20
Other machinery and equipment	4 – 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



JSC "National Center for Neurosurgery"

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 31.12.2020	as at 31.12.2019
1 USD Dollar	420,71	381,18
1 Euro	516,13	426,85
1 Russian Ruble	5,65	6,17

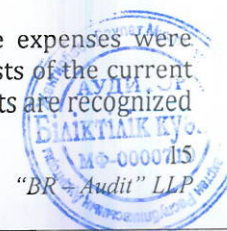
Employee benefits. Employee benefits include: short-term employee benefits such as wages, social security contributions, annual paid leave and sick leave with pay, compensation and guarantees as specified by the Labour Law of the Republic of Kazakhstan, lumpsum bonus paid by the management. The Company 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



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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

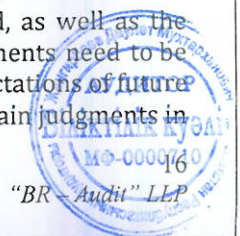
Financial income includes income arisen from the cancellation of present value discount, interest earned on deposits, loans made and other invested funds. Financial costs include interest costs on loans. Financial income and expenses also include gains and losses from exchange differences related to 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 capitalizes 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

Standards and Interpretations adopted this year

The accounting principles adopted in the preparation of the financial statements are in accordance with the principles applied in the preparation of the Company's financial statements for the year ended December 31, 2019, with the exception of the adopted new standards and interpretations that came into force on January 1, 2020. The Company has not early adopted the standards, interpretations or amendments that have been issued but are not yet effective.

The company adopted the following new and revised standards during the reporting year, which entered into force on January 1, 2020:

- Amendments to IFRS 3 - Business Definition;
- Amendments to IFRS 7, IFRS 9 and IAS 39 - Interest Rate Reform;
- Amendments to IAS 1 and IAS 8 - "Determination of Materiality";
- Conceptual Framework for the Presentation of Financial Statements issued on March 29, 2018;
- Amendments to IFRS 16 - Lease concessions related to the Covid-19 pandemic.

Amendments to IFRS 3 - Business Definition



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The amendments to IFRS 3 clarify that, to be considered a business, an integrated set of activities and assets must include at least input and a fundamentally significant process that together can significantly contribute to the creation of outputs. It also clarifies that a business does not have to include all the inputs and processes needed to create outputs. These amendments did not have any impact on the Company's financial statements, but may be applicable in the future if the Company enters into a business combination.

Amendments to IFRS 7, IFRS 9 and IAS 39 - Interest Rate Reform

The amendments to IFRS 7, IFRS 9, IAS 39 Financial Instruments: Recognition and Measurement provide a number of exemptions that apply to all hedging relationships that are directly affected by the interest rate reform. The interest rate reform affects hedging relationships if, as a result, it creates uncertainties about the timing and / or the amount of cash flows based on the benchmark interest rate for the hedged item or the hedging instrument. These amendments did not have an impact on the financial statements of the Company as it does not have an interest rate-based hedging relationship.

Amendments to IAS 1 and IAS 8 - "Determination of Materiality"

The amendments introduce a new definition of materiality, according to which "information is material if omission, misstatement or masking can reasonably be expected to influence the decisions of the principal users of general purpose financial statements that they make on the basis of these financial statements providing financial information about a specific reporting entity. "

The amendments clarify that materiality will depend on the nature or quantity of the information (whether taken separately or in conjunction with other information) in the context of the financial statements as a whole. Misstatement is material if it can be reasonably expected to influence the decisions of the primary users of the financial statements. These amendments did not have an impact on the Company's financial statements and it is expected that there will be no future impact either.

Conceptual Framework for the Presentation of Financial Statements issued on March 29, 2018.

The Conceptual Framework is not a standard, and none of the provisions of the Conceptual Framework take precedence over any provision or requirement of the standard. The objectives of the Conceptual Framework are to: assist the IASB in developing standards; assist preparers of financial statements in the development of accounting policies when none of the standards govern a specific transaction or other event; and assist all parties to understand and interpret the standards. This document will have an impact on organizations that develop their accounting policies in accordance with the provisions of the Conceptual Framework.

The revised Conceptual Framework contains several new concepts, updated definitions of assets and liabilities and criteria for their recognition, and clarifies some significant provisions. The revision of this document did not have an impact on the Company's financial statements.

Amendments to IFRS 16 - Lease concessions related to the Covid-19 pandemic

On 8 May 2020, the IASB issued an amendment to IFRS 16 Leases - Lease concessions related to the Covid-19 pandemic. The amendment provides an exemption for lessees from applying the requirements of IFRS 16 to account for modifications to leases in case of lease concessions that arise as a direct consequence of the Covid-19 pandemic. As a practical expedient, the tenant may choose not to analyze whether the rental concession provided by the landlord in connection with the Covid-19 pandemic is a modification of the lease. A lessee who decides to do so should account for any change in lease payments arising from a lease assignment related to the Covid-19 pandemic, in the same way that the change would be accounted for under IFRS 16 if it were not a contract modification lease.

This amendment applies to annual periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment did not have any impact on the Company's financial statements.

The following are new standards, amendments and clarifications that have been issued but are not yet effective as of the date of the Company's financial statements. The Company intends to apply these standards, amendments and interpretations, if applicable, from the effective date.

- IFRS 17 Insurance Contracts
- Amendments to IAS 1 - "Classification of Liabilities as Current or Non-current"



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- Amendments to IFRS 3 - "References to Conceptual Framework"
- Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to IAS 37 - Onerous Contracts - Contract Performance Costs
- Amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" - the first-time adopter of International Financial Reporting Standards
- Amendment to IFRS 9 Financial Instruments - 10% test fee on derecognition of financial liabilities
- Amendment to IAS 41 Agriculture - Taxation in Fair Value Measurement

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69-76 of IAS 1, which clarify the requirements for classifying liabilities as current or non-current. The amendments clarify the following:

- what is meant by the right to defer settlement of obligations;
- the right to defer settlement of obligations must exist at the end of the reporting period;
- the classification of the liability is not affected by the likelihood that the entity will exercise its right to defer settlement of the liability;
- the terms of the liability will not affect its classification only if the embedded derivative in the convertible liability is itself an equity instrument.

These amendments are effective for annual periods beginning on or after 1 January 2023 and are applied retrospectively. The Company is currently analyzing the possible impact of these amendments on the current classification of liabilities.

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use

In May 2020, the IASB issued Property, Plant and Equipment: Proceeds Before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds from the sale of items produced by bringing the item to and from its location. condition that is required for its operation in accordance with the intentions of management. Instead, the entity recognizes the proceeds from the sale of those items and the cost of manufacturing those items in profit or loss.

These amendments are effective for annual periods beginning on or after 1 January 2022 and are to be applied retrospectively to those items of property, plant and equipment that became available for use on or after the commencement date of the earliest presented in financial statements of the period in which the entity first applies those amendments.

These amendments are not expected to have a significant impact on the Company.

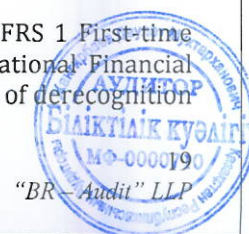
Amendments to IAS 37 - Onerous Contracts - Contract Performance Costs

In May 2020, the IASB issued amendments to IAS 37, which clarify what costs an entity should consider when assessing whether a contract is onerous or unprofitable.

The amendments provide for a "cost directly attributable to the contract" approach. Costs directly attributable to a contract for the provision of goods or services include both the incremental costs of performing that contract and allocated costs directly attributable to the performance of the contract. General and administrative costs are not directly related to the contract and are therefore excluded unless they are explicitly recoverable by the contractual counterparty.

These amendments are effective for annual periods beginning on or after 1 January 2022. The company will apply the amendments to contracts for which it has not yet met all of its obligations at the start of the annual reporting period in which it first applies the amendments.

Management believes that IFRS 17 Insurance Contracts, IFRS 3 - Conceptual References, IFRS 1 First-time Adoption of International Financial Reporting Standards is a first-time adopter of International Financial Reporting Standards, IFRS 9 "Financial Instruments" - commission on the "10% test" in case of derecognition



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of financial liabilities, IAS 41 "Agriculture" - taxation at fair value measurement is not applicable to the Company.

The Partnership's management expects that the application of the new and revised standards will not have a material impact on the financial statements as a whole.

5. Cash and cash equivalents

in thousands of KZT

Name	31.12.2020	31.12.2019
Cash at the checkout	625	3 941
Cash on settlement accounts in the bank in tenge	1 171 917	709 748
Cash on deposit	1 070 497	3 139 824
Total	2 243 039	3 853 513

Money accounting is conducting in accordance with the legislation of the Republic of Kazakhstan. The share of assets in the current asset is 17.0%.

6. Short-term trade and other receivables

in thousands of KZT

Name	31.12.2020	31.12.2019
Short-term receivables from buyers and customers	336 456	230 075
Short-term receivables from employees	36	415
Other short-term receivables	1 668	2 063
Less: reserve for doubtful debts	(5 846)	(6 386)
Total	332 314	231 707

As of December 31, 2020, short-term receivables totaled 332,314 tenge.

Of these, 94% are the accounts receivable of the Social Health Insurance Fund NJSC 312,299.0 thousand tenge for services rendered in December 2020.

Transcript of short-term receivables from buyers and customers as of 12/31/2020:

in thousands of KZT

Debtor's name	Amount	Base	Planned maturity date
SOS Medical Assistance LLP	1 081	Contract No. 11 dated 05.02.2015.	2021
University Medical Center KF	999	Contract No. DOMP-174 dated 02/10/2020.	2021
JSC "Bus fleet No. 1"	600	Contract No. 81 dated 05/15/2020	2021
Archimedes Kazakhstan	516	Contract No. 80/1 dated June 25, 2019.	2021
Eurasia MC LLP	368	Contract No. 10 dated May 28, 2010, supplementary No. 20 dated February 10, 2014	2021
Naumov Anatoly Petrovich	2 131	Contract No. 584 dated 20.12.2014	2021
Non-profit joint stock company social health insurance fund	312 299	contract N C-15-0120-00201-0 dated 01/05/2020	2021
LLP "Multidisciplinary Medical Center" Meyirim "	1 126	Contract No. 134-18 / 54/1 dated March 16, 2018	2021
Others	17 336		2021
Total	336 456		

During the audit, we received from the Company's employees 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	31.12.2020	31.12.2019
University Medical Center KF	86	207
Kaspi Bank JSC	40	-
JSC "South Kazakhstan Medical Academy"	45	22
GKKP Shortandy central regional hospital	101	-
GKP on REM "Auliekol central paradise. Hospital	12	12
LLP "New Medical TD"	204	22
LLP "Central road hospital of the city of Nur-Sultan"	60	-
GOLD EURASIA CORPORATION / Gold Eurasia Corporation LLP	-	1 422
Alina G.O SP	-	1 858
Toybazarova Alma Doldanovna SP	-	1 785
SOS Medical Assistance LLP	-	98
Others	74	114
Total	622	5 540

8. Inventories*in thousands of KZT*

Components of inventories	Closing balances	Opening balances
-Medical consumables	199 806	196 023
-Surgical supplies	240 221	199 860
- Medicines	43 023	48 561
- Household goods	48 499	37 685
- Spare parts	43 847	39 125
- Chemical reagents	18 040	21 544
- Solid inventory, dishes	3 231	3 357
- Soft inventory	17 733	15 709
- Materials for laboratories	16 883	9 184
- Fuel	3 497	2 786
- Materials for computer technology	6 071	4 448
- Stationery	6 573	4 662
- Others	2 824	3 061
- Minus: reserve for obsolete and illiquid tmz	-	(22)
Total	650 248	585 983

Total inventories as of December 31, 2020 totaled 650,248.0 thousand tenge, that is, increased by 64,265.0 thousand tenge. The share of assets in the current asset is 5%.

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 07-2/367 from 23.11.2020. 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	31.12.2020	31.12.2019
Short-term advances issued	6 316	4 279
Short-term prepaid expenses	2 742	2 627
Other short-term assets	20	-
Total	9 078	6 906



10. Other long-term financial assets

in thousands of KZT

Name	31.12.2020	31.12.2019
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. Long-term trade and other receivables financial assets

in thousands of KZT

Name	31.12.2020	31.12.2019
Other long-term financial investments	-	1 524 985
Total	-	1 524 985

In pursuance of protocol decision No. 5 of February 16, 2016, an agreement No. 253-NZ of May 25, 2016 was concluded with Diagnostics Central Asia LLP for the supply of medical equipment: "Radiotherapy complex for stereotaxic radiosurgery of neoplasms and functional brain lesions." Under the terms of the agreement, an advance payment of 70% interest was paid: 1 246 000 thousand tenge. The delivery time of the goods, taking into account the additional agreement No. 264-NZ of 19.10.2018, within 180 calendar days from the date of filing the application by the customer. Under the purchase agreement No. 522-NZ dated October 18, 2016, Medicus Eurasia LLP paid an advance in the amount of 30% of the contract value in the amount of 278 985 thousand tenge. Under the terms of the contract, the delivery of goods is carried out within 120 calendar days from the date of application by the customer. As of December 31, 2020, the delivery of medical equipment has been completed. The final payment has been made.



12. Fixed assets
in thousands of KZT

	Buildings and constructions	Medical equipment	Other machinery and equipment	Vehicles	Other types of fixed assets	Construction in progress	Total
Balance as of 01.01.2020	2 648 229	2 698 434	73 398	11939	91 678	1 073 333	6 598 011
Original cost as of 12/31/2019	3 562 685	5 267 633	469 447	51 792	860 175	1 073 333	11 285 065
Received		3 032 272	50 085		28 606	111 483	3 222 445
Disposal		(178 600)	(3 014)	(2 628)	(34 824)		(219 066)
Modernization		116 134					116 134
Impairment		(49 452)					(49 452)
Original cost as of 12/31/2020	3 562 685	8 187 987	516 518	49 164	853 957	1 184 816	14 355 126
Accumulated depreciation as of 31.12.2019	(913 456)	(2 500 930)	(396 049)	(39 853)	(768 497)	0	(4 618 785)
Accrued depreciation	(96 248)	(311 025)	(20 004)	(1 562)	(19 624)		(448 463)
Depreciation on disposal		175 325	2 107	2 628	34 542		214 602
Impairment		(10 242)					(10 242)
Accumulated depreciation as of 31.12.2020	1 009 704	2 646 872	413 946	38 787	753 579	0	4 862 888
Reserve as of 31.12.2019		(68 269)					(68 269)
Reserve as of 31.12.2020		(78 165)					(78 165)
Balance as of 31.12.2020	2 552 981	5 462 950	102 572	10 377	100 377	1 184 816	9 414 073

As of December 31, 2020, the carrying amount of property, plant and equipment totaled KZT 9,414,073.0 thousand.



13. Intangible assets
in thousands of KZT

	Other intangible assets
Opening balances	90 450
Additions	-
Disposal	-
Closing balances	90 450
Accumulated depreciation at the beginning of period	78 474
Depreciation applied during the reporting period	3 491
Obsolescence of intangible assets	-
Accumulated depreciation at end of period	81 965
Book value at the beginning of period	11 976
Book value at the end of period	8 485

As of December 31, 2020, the residual value of intangible assets was 8,485 thousand tenge.

14. Other non-current assets
in thousands of KZT

Name	31.12.2020	31.12.2019
Other long-term financial investments	149 648	193 195
Total	149 648	193 195

According to the public procurement contract No. 297 dated 04.24.2019 concluded with Zherbuilding LLP, the Company acquired apartments for leasing them out with subsequent purchase for its employees.

15. Short-term trade and other payables
in thousands of KZT

Name	31.12.2020	31.12.2019
Short-term debt to suppliers and contractors	196 735	387 026
Total	196 735	387 026

Decoding of short-term trade and other payables as at 31.12.2020:
in thousands of KZT

Debtor's name	Amount	Start date	Basis	Planned repayment date
Branch of JSC Sembol Uluslararasy Yatrym Tarym Landscape	48 652	12.2020	Roof repair	2021
Medical Innovative Technologies LLP	15 275	12.2020	For the equipment	2021
Others	132 808	12.2020		2021
Total	196 735			

16. Short-term estimated liabilities
in thousands of KZT

Name	31.12.2020	31.12.2019
Short-term estimated liabilities	63 683	29 115
Total	63 683	29 115



17. Employee benefits
in thousands of KZT

Name	31.12.2020	31.12.2019
Employee benefits	29 895	17 214
Total	29 895	17 214

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

Name	31.12.2020	31.12.2019
Short-term portion of government subsidies	98 766	47 088
Total	98 766	47 088

19. Other current liabilities
in thousands of KZT

Name	31.12.2020	31.12.2019
Short-term advances received	24 348	14 825
Tax liabilities	4 292	240
Obligations for other mandatory and voluntary payments	647	12
Other payables	137 046	134 480
Total	166 333	149 557

20. Long-term financial liabilities
in thousands of KZT

Name	31.12.2020	31.12.2019
Government subsidies	2 233 392	2 360 588
Total	2 233 392	2 360 588

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 2020, the Company recognized amortization of income in the amount of 75,517.0 thousand tenge.

21. Capital
in thousands of KZT

Articles	31.12.2020	31.12.2019
Authorized capital	9 223 040	9 223 040
Profit of the reporting year	5 792	2 776
Retained earnings (Uncovered loss)	831 451	831 452
Total Capital	10 060 283	10 057 268

As of December 31, 2020, 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.

22. Income from the sale of products and the provision of services
in thousands of KZT

Name of income	31.12.2020
Guaranteed volume of free medical care, Mandatory social health insurance	4 989 309
Paid medical services	312 366
Research services pr 217	16 171



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Government order of educational services	8 495
The science	9 126
Paid educational services	20 250
Total	5 355 717

23. Cost of goods sold and services rendered

in thousands of KZT

Naming of expenditures	31.12.2020
Salaries and related taxes	1 940 332
Surgical supplies	1 543 423
Depreciation and amortization	451 888
Medical supplies	403 664
Maintenance and repair	212 835
Medicines	116 541
Utilities	105 199
Provision for unused vacations	113 778
Catering	43 284
Fuel	3 279
Taxes other than income tax	9 728
Other	273 915
Total	5 217 866

24. Administrative expenses

in thousands of KZT

Naming of expenditures	31.12.2020
Salaries and related taxes	402 500
Provision for unused vacations	27 710
Maintenance costs	16 245
Bank services	6 237
Travel expenses	57
Training costs	300
Communication services	736
Stationery	940
Depreciation and amortization	66
Other	19 810
Total	474 601

25. Finance income

in thousands of KZT

Naming of income	31.12.2020
Income from remuneration	144 720
Finance lease income	2 976
Total	147 696

26. Finance expenses

in thousands of KZT

Naming of expenditures	31.12.2020
Fee expenses	23 719
Total	23 719



27. Other income

in thousands of KZT

	31.12.2020
Naming of income	
Gains on disposal of assets	3 175
Income from assets received free of charge (tmz)	5 030
Government subsidy revenues	75 517
Other income	47 438
Excess of positive exchange rate difference	201 156
Total	332 316

28. Other expenses

in thousands of KZT

	31.12.2020
Naming of expenditures	
Impairment costs of assets	69 592
Expenses from disposal of fixed assets	4 464
other expenses	39 695
Total	113 751

29. 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 2020, 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 147,749 thousand tenge.

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

Indicators	2020
Salaries and other payments	135 466
Social tax and social security contributions	12 283
Total	147 749

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

30. 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



JSC "National Center for Neurosurgery"

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, 2019.

As at 31 December 2020, 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.

31. 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 are 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	31.12.2020
Receivables	332 314
Cash and cash equivalents	2 243 039
Maximum credit risk, total	2 575 353

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.

32. Fair value of financial instruments

As at 31 December 2020, 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.



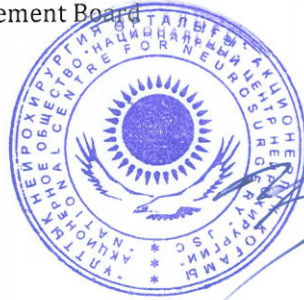
33. Events after the reporting date

In the post-reporting period from January 01, 2021 to April 15, 2021, there are no changes in the way the Company does business. 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

Financial Director

Chief Accountant



S.K. Akshulakov
A.T. Bayzhumanova

S.K. Akshulakov

A.T. Bayzhumanova

A. A. Ermaganbetova



"BR-Audit" LLP

BALANCE SHEET

for the period from 01.01.2020 to 31.12.2020

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 KZ

Name of item	Code line	as at 31.12.2020	as at 31.12.2019
Assets			
I. Short-term assets:			
Cash and cash equivalents	010	2 243 039	3 853 513
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	332 314	226 167
Short-term lease receivables	017	622	5 540
Short-term assets under contracts with customers	018		
Current taxes	019		
Stocks	020	650 248	585 983
Biological assets	021		
Other short-term assets	022	9 078	6 906
Total short-term assets (sum of lines from 010 to 019)	100	3 235 301	4 678 109
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	-	1 524 985
Long-term lease receivables	118		
Long-term assets under contracts with customers	119		
Investment property	120		
Property, plant and equipment	121	9 414 073	6 598 011
Right-of-use asset	122		
Biological assets	123		
Exploration and appraisal assets	124		
Intangible assets	125	8 485	11 976
Deferred tax assets	126		
Other long-term assets	127	149 648	193 195
Total long-term assets (sum of lines from 110 to 123)	200	9 613 786	8 369 747



JSC "National Center for Neurosurgery"

Balance (line 100 +line 101+ line 200)		12 849 087	13 047 856
III. Short-term liabilities			
Short-term financial liabilities at amortized cost	210		
Short-term financial liabilities at fair value through gains and losses	211		
Short-term derivative financial instruments	212		
Other short-term financial liabilities	213		
Short-term trade and other payables	214	196 735	387 026
Short-term estimated liabilities	215	63 683	29 115
Current income tax liabilities	216		
Employee benefits	217	29 895	17 214
Short-term lease payables	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220	98 766	47 088
Dividends payable	221		
Other short-term liabilities	222	166 333	149 557
Total short-term liabilities (sum of lines from 210 to 217)	300	555 412	630 000
Liabilities of outgoing sales groups	301		
IV. Long-term liabilities			
Long-term liabilities at amortized cost	310		
Long-term financial liabilities at fair value through 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		
Long-term liabilities under contracts with customers	319		
Government subsidies	320	2 233 392	2 360 588
Other long-term liabilities	321		
Total long-term liabilities (sum of lines from 310 to 316)	400	2 233 392	2 360 588
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	427 984	424 969
Other capital	415		
Total capital attributable to owners of parent organizations (sum of lines from 410 to 414)	420	10 060 283	10 057 268
Share of non-controlling owners	421		
Total capital (line 420 +/- line 421)	500	10 060 283	10 057 268
Balance (line 300+line 301+line 400 + line 500)		12 849 087	13 047 856

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)



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"BR - Audit" LLP

Enclosure 2
to direction of First Deputy Prime Minister RK –
Minister of Finance RK
of 1 July 2019 № 665
Enclosure 3
to direction of Minister of Finance RK
of 28 June 2017 № 404
Form 2

Income Statement

for the period from 01.01.2020 to 31.12.2020

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 31.12.2020	as at 31.12.2019
Revenue	010	5 355 717	5 334 367
Cost of goods and services sold	011	5 217 866	5 166 901
Gross profit (line 010 – line 011)	012	137 851	167 466
Cost of enforcement	013		
Administrative costs	014	474 601	400 256
Operating profit, total (losses) (+/- lines from 012 to 016)	020	(336 750)	(232 790)
Finance income	021	147 696	177 989
Finance costs	022	23 719	23 022
Organization's share in profits (losses) of associated organizations and joint activities accounted by equity method	023		
Other non-operating income	024	332 316	287 213
Other non-operating costs	025	113 751	206 614
Profit (losses) before taxation (+/- lines from 020 to 025)	100	5 792	2 776
Income tax expenses	101		
Profit (losses) after taxation on continued activities (line 100 – line 101)	200	5 792	2 776
Profit (losses) after taxation on discontinued activities	201		
Annual profit (line 200 + line 201) attributable to:	300	5 792	2 776
owners of parent organization			
share of non-controlling owners			
Other aggregate profit, total (sum of lines from 410 to 420):	400		
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		
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)	440		



JSC "National Center for Neurosurgery"

(sum of lines 431 to 435)			
Cumulative profit (line 300 + line 400)	500	5 792	2 776
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)



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"BR-Audit" LLC

Enclosure 3
to direction of First Deputy Prime Minister-
Minister of Finance RK
of 1 July 2019 № 665
Enclosure 4
to direction of Minister of Finance RK
of 28 June 2017 № 404
Form 3

Cash flow statement (direct method)
for the period from 01.01.2020 to 31.12.2020

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 31.12.2020	as at 31.12.2019
I. Cash flows from operating activities			
1. Cash inflow, total (sum of lines from 011 to 016)	010	8 424 030	5 939 431
including:			
realization of goods and services	011	4 303 256	4 231 661
other revenue	012		
advances received from buyers, customers	013	954 332	1 159 976
proceeds from insurance contracts	014		
rewards received	015	135 344	133 969
other income	016	3 031 098	413 825
2. Cash outflows, total (sum of lines from 021 to 027)	020	8 233 450	5 822 046
including:			
payments to suppliers for goods and services	021	2 939 338	3 003 531
advances to suppliers of goods and services	022	8 096	28 877
Payrolls	023	1 767 018	1 761 790
payment of rewards	024		
insurance contacts payments	025		
income tax and other payments to the budget	026	627 228	314 736
other payments	027	2 891 770	713 112
3. Net operating cash flow (line 010 – line 020)	030	190 580	117 385
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	0	
2. Cash outflow, total (sum of lines from 061 to 071)	060	1 798 278	
including:			



JSC "National Center for Neurosurgery"

purchase of property, plants and equipment	061	1 798 278	275 275
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	1 798 278	275 275
III. Cash flows from financial activities			
1. Cash inflows, total (sum of lines from 091 to 094)	090	0	0
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	2 776	10 983
including:			
loan repayments	101		
rewards payments	102		
dividend payments	103	2 776	10 983
payments to owners of the organization by their shares	104		
Other disposals	105		
3. Net cash from financial activities (line 090 – line 100)	110	(2 776)	(10 983)
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	(1 610 474)	(168 872)
Cash and cash equivalents at the beginning of reporting period	150	3 853 513	4 022 385
Cash and cash equivalents at the end of reporting period	160	2 243 039	3 853 513

Chairman of the Management Board: S.K. Akshulakov

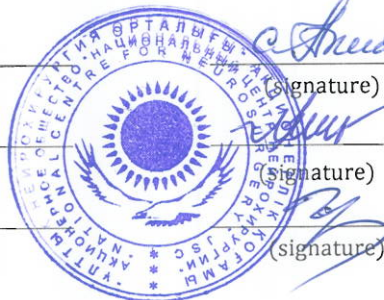
(surname, name, patronymic)

Financial Director: A.T. Bayzhumanova

(surname, name, patronymic)

Chief Accountant: A. A. Ermaganbetova

(surname, name, patronymic)



JSC "National Center for Neurosurgery"



STATEMENT OF CHANGES IN EQUITY
for the period from 01.01.2020 to 31.12.2020

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"

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					433 175	409 259	10 065 474
Changes in accounting policy	011								
Restated balance (line 010+/-line 011)	100	9 223 040					433 175	409 259	10 065 474
Total aggregated profit (line 210 + line 220):	200						2 776		2 776
Profit (loss) for the year	210						2 776		2 776
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								



cash flow hedging (minus tax effect)	627												
foreign exchange differences on investments in foreign entities	628												
hedging of net investments in foreign transactions	629												
Total transactions with owners (sum of lines from 710 to 718)	700									(2 777)			(2 777)
including:													
Employees rewards with shares	710												
including:													
cost of employees services													
issuance of shares under the employee share compensation scheme													
tax benefit on employee share compensation scheme													
owners contributions	711												
issuance of own equity instruments (shares)	712												
issuance of equity instruments related to business integration	713												
ratio of convertible instruments (minus tax effect)	714									(2 777)			(2 777)
dividends payments	715												
other distributions to owners	716												



JSC "National Center for Neurosurgery"

other transactions with owners	717								
changes in the percentage of participation in affiliated organizations without control lose	718								
Other transactions	719								
Balance as at 31 December of the reporting year (line 500 + line 600 + line 700)	800	9 223 040	427 984	409 259					10 060 283

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)

