GoldFinMarket LLP
Microfinance organization

Consolidated financial statements

For the year ended 31 December 2024

With the independent auditor's report

CONTENT

STATEMENT OF MANAGEMENT RESPONSIBILITY OF GOLDFINMARKET LLP MICROFINANCE ORGANIZATION FOR PREPARATION AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Management of the Group is responsible for the preparation of financial statements that present fairly the financial position as at 31 December 2024, as well as its financial results of operations, cash flows and changes in equity for the year ended 31 December 2024 in accordance with International Financial Reporting Standards (IFRS').

When preparing the financial statements, the management is responsible for:

- Ensuring the correct selection and application of accounting policies;
- Providing information, including accounting policies, in the form that ensures that such information is relevant, reliable, comparable and understandable;
- Application of reasonable and appropriate assessments and assumptions;
- Providing additional disclosures when compliance with specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group financial position and the outcome of its financial performance; and
- Assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- Development, implementation and maintenance of reliable internal control in all business units of the Group;
- Maintenance of the accounting records in the manner, which allows to disclose and explain the Group's transactions, and present at any moment the information on the financial position of the Group with a sufficient degree of accuracy and ensure that the financial statements comply with IFRS;
- Taking measures within its competence to protect the Group assets;
- Identify and prevent fraud and other malpractices.

The financial statements for the year ended 31 December 2024 were approved by the management of the Group on 27 May 2025.

On behalf of the management:

General Director _________________ Dauletaliev M.

Chief accountant _________________ Seitbekova A.

SFAI GLOBAL

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Independent auditor's report

To the Participants and Management of Microfinance organization GoldFinMarket LLP

Opinion

We have audited the financial statements of Microfinance organization GoldFinMarket LLP (the 'Company'), and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the acGrouping consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are matters that, in our professional judgment, are of most significance to our audit of the consolidated financial statements for the current period. These matters were considered in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not express a separate opinion on these matters.

Impairment of microloans issued to customers in accordance with IFRS 9 Financial Instruments	
See Note 6 to the consolidated financial statements.	
The key audit matter	**Audit Procedures Relating to a Key Audit Matter**
As indicated in Note 6, as at 31 December 2024, microloans issued amounted to 9,553,603 thousand tenge, net of an allowance for expected credit losses in the amount of 77,000 thousand tenge.	The audit procedures performed in this area included: • Obtaining an understanding of the process of estimating and calculating allowances for expected credit losses. This included evaluating the design and implementation of appropriate controls for the expected credit loss model, including model management and mathematical accuracy;

Expected credit losses ('ECL') for loans to customers (continued)	
See Note 6 to the consolidated financial statements.	
The key audit matter	**How the matter was addressed in our audit**
Estimating and determining the amount of expected credit losses requires the application of significant judgment in the analysis of all reasonable and acceptable information at the reporting date. Key areas of judgment included the estimate of the probability of default and the amount of expected recovery in the event of a default. Due to the significant balance of microloans issued, the significance of the valuation and uncertainties, and the complexity in applying judgment in determining the amount of expected credit losses, we have identified this area as a key audit matter.	• an assessment of the allowance methodology developed to calculate expected credit losses from impairment in accordance with the requirements of IFRS 9 Financial Instruments; • assessing the soundness of management's assumptions and the inputs used in the model, including with respect to the probability of default on microloans to customers, determining the amount of recovery expected on defaulted microloans to customers, and forecasting macroeconomic variables for compliance with IFRS 9 requirements. We reviewed the underlying statistics reported by principal, including overdue principal and interest, and the classification of microloans by overdue days, including reconciliation of debtors on a sample basis; • verification of the sufficiency and completeness of the Group's disclosure of information on credit risk, the structure and quality of the loan portfolio, the allowance for expected credit losses in accordance with IFRS 9.

Other information

Other information includes information contained in the Group's annual report for 2024, but does not include the consolidated financial statements and our audit report on them. The responsibility for the other information rests with management.

The Group's annual report for 2024 is expected to be provided to us after the date of this audit report.

Our opinion on the consolidated financial statements does not extend to the other information, and we do not provide any form of assurance regarding this information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when it is provided to us and to consider whether there are material inconsistencies between the other information and the consolidated financial statements or our knowledge obtained during the audit, and whether the other information contains any material misstatements.

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Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 ISAs 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 consolidated 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 consolidated 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 risk of not detecting a 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 Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group'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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and therefore the key audit matters. We describe these matters in our audit report, except in cases where public disclosure of these matters is prohibited by law or regulation, or when, in extremely rare circumstances, we conclude that a matter should not be communicated in our report because it could be reasonably expected that the negative consequences of revealing such information would outweigh the public interest in its disclosure.

The Auditor responsible for conducting the audit that resulted in this independent auditor's report – Dilshat Kurbanov.

Signed:

Dilshat Kurbanov

Audit Partner

Auditor qualification certificate № MF-0001872 dated 7 August 2024

Approved:

Olzhas Kuanyshbekov

General director «SFAI Kazakhstan» LLP

State audit License for audit activities on the territory of the Republic of Kazakhstan: № 24020399 dated 3 June 2024 issued by the Ministry of Finance of the Republic of Kazakhstan

27 May 2025

GoldFinMarket LLP Microfinance organization

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

In thousands of tenge	Note	31 December 2024	31 December 2023
ASSETS			
Cash and cash equivalents	5	**361.495**	158.249
Microloans issued	6	**9.553.603**	5.401.222
Property and equipment	7	**356.786**	224.023
Intangible assets	7	**31.801**	2.431
Right of use assets	8	**133.794**	81.974
Advance payment of corporate income tax		**29.081**	-
Deferred income tax assets	18	**1.205**	11.222
Other current assets	9	**46.871**	32.399
TOTAL ASSETS		**10.514.636**	5.911.520
LIABILITIES			
Trade and other accounts payable	12	**101.096**	56.038
Debt on other taxes and mandatory payments		**15.100**	9.143
Corporate Income tax liabilities	18	**84.638**	19.313
Lease liabilities	11	**149.437**	90.757
Bonds	13	**5.740.935**	1.901.961
Loans received	10	**702.947**	-
TOTAL LIABILITIES		**6.794.153**	2.077.212
CAPITAL			
Charter capital	14	**3.200.000**	3.200.000
Retained earnings		**520.483**	634.308
Total capital		**3.720.483**	3.834.308
TOTAL EQUITY AND LIABILITIES		**10.514.636**	5.911.520

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Signed and approved for issue 27 May 2025 by the Group's management:

General Director ____________ Dauletaliev M.

Chief accountant ____________ Seitbekova A.

GoldFinMarket LLP Microfinance organization

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For year ended 31 December 2024

In thousands of tenge	**Note:**	**2024**	2023
Interest income	*15*	**2.625.832**	1.853.238
Interest expenses	*16*	**(525.819)**	(303.121)
Net interest income before expected credit loss expense		**2.100.013**	1.550.117
Recovery / (accruals) of the reserve for expected credit losses	*6*	**8.039**	(11.321)
Net interest income after expected credit loss expense		**2.108.052**	1,538,796
General and administrative expenses	*17*	**(1.599.985)**	(1.177.568)
Other income		**64.344**	27.655
Income / (loss) from exchange rate differences, net		**(360.522)**	6.091
Profit before tax		**211.889**	394.974
Income tax expenses	*18*	**(104.194)**	(92.802)
Profit for the year		**107.695**	302.172
Other comprehensive income for the year		**–**	-
Total comprehensive income for the year		**107.695**	302.172

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Signed and approved for issue 27 May 2025 by the Group's management.

General Director _______________ *Dauletaliev M.*

Chief accountant _______________ *Seitbekova A.*

GoldFinMarket LLP Microfinance organization

CONSOLIDATED STATEMENT OF CASH FLOWS
For year ended 31 December 2024

In thousands of tenge	Note:	2024	2023
Cash flows from operating activities			
Profit before tax		**211.889**	394.974
Adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortization	*17*	**176.246**	441.928
Accrual / (recovery) of reserves for ECL	*6*	**(8.039)**	11.321
Interest income	*15*	**(2.625.832)**	(1.853.238)
Interest expenses	*16*	**525.819**	303.121
Changes in lease terms	*8.11*	**(476)**	9.277
Income from disposal of property and equipment		**64.553**	18.416
Unrealized loss/(gain) from exchange rate differences		**357.422**	(7.845)
Changes in working capital			
Increase in microloans issued		**(4.071.540)**	(480.524)
(Increase) / decrease in advances issued and other current assets		**(14.472)**	34.079
Increase in debt on other taxes and mandatory payments		**5.957**	2.061
Decrease / (increase) in trade and other accounts payable		**45.058**	(60.858)
Net cash flows used in operating activities before income taxes and interest		**(5.333.415)**	(1.187.288)
Interest paid	*10*	**(64.018)**	(45.143)
Coupon payments	*13*	**(372.266)**	(60.072)
Interest received		**2.553.030**	1.397.553
Corporate income tax paid		**(57.933)**	(63.127)
Net cash (outflow)/inflow from operating activities		**(3.274.602)**	41.923
Cash flows from investing activities			
Acquisition of property and equipment	*7*	**(294.542)**	(24.450)
Acquisition of intangible assets		**(31.164)**	-
Net cash expenditure on investing activities		**(325.706)**	(24.450)
Cash flows from financing activities			
Loans received	*10*	**2.531.400**	2.267.980
Repayment of loans	*10*	**(1.833.900)**	(3,779,961)
Dividend payments		**(221.520)**	-
Issue of bonds	*13*	**4.128.587**	1,887,494
Bond payments		**(700.000)**	-
Payment of financial obligations under the lease	*11*	**(101.013)**	(433.363)
Net cash inflow/(outflow) from/(in) financing activities		**3.803.554**	(57.850)
Net decrease in cash and cash equivalents		**203.246**	(40.377)
Cash and cash equivalents at the beginning of the reporting year	5	**158.249**	198.626
Cash and cash equivalents at the end of the reporting year	5	**361.495**	158.249

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Signed and approved for issue 27 May 2025 by the Group's management:

General Director ______________ *Dauletaliev M.*

Chief accountant ______________ *Seitbekova A.*

GoldFinMarket

GoldFinMarket LLP Microfinance organization

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For year ended 31 December 2024

In thousands of tenge	Charter capital	Retained earnings	Total
As at 1 January 2023	**3.200.000**	**332.136**	**3.532.136**
Profit for the year	-	302.172	302.172
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	302.172	302.172
As at 31 December 2023	**3.200.000**	**634.308**	**3.834.308**
Profit for the year	-	**107.695**	**107.695**
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	**107.695**	**107.695**
Payment of dividends (Note 14)	-	(221.520)	(221.520)
As at 31 December 2024	**3.200.000**	**520.483**	**3.720.483**

The notes to the consolidated financial statements are an integral part of these consolidated financial statements.

Signed and approved for issue 27 May 2025 by the Group's management:

General Director ____________ *Dauletaliev M.*

Chief accountant ____________ *Seitbekova A.*

1. GENERAL INFORMATION

Organization and activities

Microfinance Organization GoldFinMarket LLP (hereinafter referred to as the “Company”) is a limited liability partnership registered in the Republic of Kazakhstan in 2007. The Company was re-registered on 3 November 2020, due to a change of name from Microfinance Organization GFM LLP.

The company is registered at the address: Shayakhmetov street 3/2, Shymkent city, Republic of Kazakhstan.

The actual location of the Company's head office: Zheltoksan street 40, Shymkent city, Republic of Kazakhstan.

Information about the Company's participants is presented in Note 14.

The main activity of the Company is microcrediting of individuals, individual entrepreneurs, small and medium-sized businesses in the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan. The Company has a license to operate as a microfinance organization.

In 2023, the Company established a subsidiary, Lombard “GoldFinMarket” LLP for the provision of pawnshop services. The company and its subsidiary Lombard “GoldFinMarket” hereinafter collectively referred to as the “Group”.

These consolidated financial statements for 2024 have been authorised for issue by the Group's management. 27 May 2025.

Kazakhstan business environment

The Group's operations are carried out in the Republic of Kazakhstan. The Group is exposed to country risk, which is the economic, political and social risks inherent in doing business in Kazakhstan. These risks include issues arising from government policies, economic conditions, the introduction or change of taxes and regulations, currency fluctuations and the enforceability of contractual rights.

These consolidated financial statements include management's assessment of economic conditions in Kazakhstan and their impact on the Group's results and financial position. Actual economic conditions may differ from these assessments.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The consolidated financial statements have been prepared on the historical cost convention, except for certain financial instruments, the accounting policies for which are described in Note 3. The consolidated financial statements are presented in tenge and all amounts have been rounded to the nearest thousand, except where otherwise indicated.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Continuity of activity principle

The consolidated financial statements of the Group have been prepared on a going concern basis. Management has taken into account the Group's stable profitability, sufficient to meet the Group's expected needs. After analyzing the Group's projected interest rates on microloans, the level of repayment, debt repayment, as well as assessing possible negative consequences, such as a decrease in interest rates on microloans and an increase in operating and capital expenditures, Management reasonably believes that the Group has sufficient resources to continue its operations in the foreseeable future.

After making appropriate analyses, Management has concluded that the Group has sufficient resources to continue in operating condition and to settle its liabilities and that it is appropriate to adopt the going concern basis in preparing these consolidated financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary As at 31 December 2024. Control is exercised when the Company is exposed to the risks associated with returns from its involvement with an investee, or has rights to receive such returns, as well as the ability to influence returns through the exercise of its power over the investee. In particular, the Company controls an investee only if the following conditions are met:

- the Company's authority over the investee (i.e. existing rights that provide the current ability to manage the significant activities of the investee);
- the Company's exposure to risks associated with variable income from participation in the investee, or the rights to receive such income;
- the Company's ability to influence income through the exercise of its powers in relation to the investment object.

Generally, a majority of the voting rights is presumed to indicate control. To support this presumption, and if the Company has less than a majority of the voting or similar rights with respect to an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over the investee:

- agreement(s) with other persons holding voting rights in the investee;
- rights provided by other agreements;
- the voting rights and potential voting rights available to the Company.

The Company reassesses whether it has control over an investee if facts and circumstances indicate that one or more of the three components of control has changed. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases to occur when the Company ceases to control the subsidiary. The assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company obtains control until the date the Company ceases to control the subsidiary.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Functional currency and presentation currency

Elements of the Group's financial statements included in these financial statements are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in tenge, which is the functional currency of the Group.

a) Fair value assessment

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs:

- in the market that is the primary market for the asset or liability; or
- in the absence of a principal market, in the market that is most advantageous for the asset or liability in question.

The Group must have access to the principal or most advantageous market. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

Estimating the fair value of a non-financial asset takes into account the ability of a market participant to generate economic benefits either through the highest and best use of the asset or through its sale to another market participant that would put the asset to its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to permit fair value measurement, while maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities measured at fair value in the consolidated financial statements, or whose fair value is disclosed in the consolidated financial statements, are classified within the fair value hierarchy described below based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques in which the inputs that are significant to the fair value measurement and that are at the lowest level in the hierarchy are directly or indirectly observable in the marketplace;
- Level 3 – Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are not observable in the marketplace.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Fair Value Measurement (continued)

For the purpose of fair value disclosure, the Group has classified assets and liabilities based on their nature, inherent characteristics and risks and the applicable level in the fair value hierarchy, as described above.

b)Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition

Date of recognition

Regular way purchases and sales of financial assets and liabilities are recognised on the trade date, which is the date the Group commits to purchase the asset or liability. Regular way purchases and sales are purchases or sales of financial assets and liabilities under a contract that requires delivery of the assets and liabilities within a time frame established by market rules or conventions.

Initial assessment

The classification of financial instruments at initial recognition depends on the contractual terms and the business model used to manage the instruments. Financial instruments are initially measured at fair value.

Categories of measurement of financial assets and liabilities

The Group classifies all of its financial assets based on the business model used to manage the assets and the contractual terms of the assets as measured at:

- amortized cost;
- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVPL).

Microloans issued and other receivables measured at amortized cost

The Group measures microloans issued and other financial investments at amortised cost only if both of the following conditions are met:

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Financial instruments (continued)

Financial assets (continued)

Microloans issued and other receivables measured at amortized cost (continued)

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of a financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Business model evaluation

The Group defines the business model at the level that best reflects how the financial assets within the Group are managed to achieve a defined business objective.

The Group's business model is assessed not at the level of individual instruments, but at a higher level of portfolio aggregation and is based on observable factors such as:

- how the performance of the business model and the return on financial assets held within that business model are assessed and how this information is communicated to the organization's key management personnel;
- the risks that affect the performance of the business model (and the return on financial assets held within that business model) and, in particular, the way in which those risks are managed;
- how the managers running the business are remunerated (e.g. whether remuneration is based on the fair value of the assets managed or on the contractual cash flows received);
- The expected frequency, volume and timing of sales are also important aspects when assessing the Group's business model.

The assessment of the business model is based on scenarios that are reasonably expected to occur, without regard to “worst-case” or “stress” scenarios. If cash flows after initial recognition are realized in a manner different from the Group’s expectations, the Group does not change the classification of any remaining financial assets held within the business model, but takes such information into account when subsequently assessing newly created or newly acquired financial assets.

The "solely payments of principal and interest on the outstanding principal amount" test (SPPI test)

As part of the second step of the classification process, the Group assesses the contractual terms of the financial asset to determine whether the asset's contractual cash flows are solely payments of principal and interest on the principal amount outstanding (i.e. the SPPI test).

For the purposes of this test, the 'principal amount' is the fair value of the financial asset at initial recognition and may change over the life of the financial asset (eg if there are repayments of principal or amortisation of a premium/discount).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Financial instruments (continued)

The SPPI Test (continued)

The most significant elements of interest in a loan agreement are usually compensation for the time value of money and compensation for credit risk. To conduct the test
SPPI Group applies judgement and considers relevant factors, such as the currency in which the financial asset is denominated and the period for which the interest rate is set.

However, contractual terms that have more than a negligible effect on the exposure to risks or volatility of contractual cash flows unrelated to the underlying credit agreement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. In such cases, the financial asset shall be measured at FVPL.

Impairment

The Group recognises an allowance for expected credit losses (ECL) for all debt instruments measured at other than fair value through profit or loss. ECL is calculated based on the difference between the contractual cash flows due and all cash flows the Group expects to receive, discounted at the original effective interest rate or an approximation thereof. The expected cash flows include cash flows from the sale of collateral held or from other credit enhancements that are integral to the contractual terms. Information on ECL for microloans issued is presented in Notes 6 and 21.

c) Cash and cash equivalents

Cash and cash equivalents include cash in current bank accounts and deposit accounts with maturities of 3 months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

d) Loans received and bonds

Financial instruments issued, or components thereof, are classified as liabilities if, as a result of a contractual arrangement, the Group has an obligation either to deliver cash or another financial asset or to settle an obligation other than by exchanging a fixed amount of cash or other financial asset for a fixed number of its own equity instruments. Such instruments include loans received and bonds. After initial recognition, loans received and bonds are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

d) Restructuring of loans

The Group seeks, where possible, to renegotiate loan terms rather than foreclose on collateral, for example by extending contractual payment terms and agreeing on new loan terms.

The Group derecognises a financial asset, such as a loan to a customer, if the terms of the contract are renegotiated so that, in substance, it becomes a new loan, and recognises the difference as a gain or loss on derecognition before any impairment loss is recognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Restructuring of loans (continued)

At initial recognition, loans are classified in Stage 1 for the purposes of measuring ECL, unless the originated loan is considered a POCI asset. When assessing whether to derecognise a loan to a customer, the Group considers, among other factors, the following:

- change of counterparty;
- whether the modification results in the instrument no longer meeting the SPPI test criteria.

A modification is a material change to the terms of a loan agreement, which may include, but is not limited to:

- extension of the repayment period;
- change in loan currency;
- reduction of interest rates;
- deferment of payments on principal or interest;
- forgiveness of part of the debt;
- changing the mechanism for calculating interest rates;

changing the procedure for securing (collateral) for a loan.

If the modification does not result in a significant change in the cash flows, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate, the Group recognises a gain or loss on the modification, which is presented in interest revenue calculated using the effective interest rate in the statement of comprehensive income, before any impairment loss is recognised.

In the case of a modification that does not result in derecognition, the Group also reassesses whether there has been a significant increase in credit risk or whether the assets need to be classified as credit-impaired. Once an asset is classified as credit-impaired as a result of a modification, it will remain in Stage 3 for at least a 6-month probationary period. To move a restructured microloan out of Stage 3, regular payments of more than an insignificant amount of principal or interest are required for at least half of the probationary period in accordance with the modified payment schedule.

e) Segment reporting

The Company's management has identified microfinance as the only reportable segment, and the information provided to the chief operating decision maker is based on financial statements prepared in accordance with IFRS.

All of the Company's revenues are received from external clients in the Republic of Kazakhstan, and none of them exceeds 10% or more of the total revenue.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised in the statement of financial position if:

- the rights to receive cash flows from the asset have expired;
- The Group has transferred the right to receive cash flows from the asset, or has assumed an obligation to transfer the received cash flows in full without material delay, to a third party under a "pass-through" arrangement; and

The Group has either (a) transferred substantially all the risks and rewards of the asset, or (b) neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset, without transferring or retaining substantially all the risks and rewards associated with the asset, or transferring control of the asset, the asset is recorded to the extent of the Group's continuing involvement in the asset.
Continuing involvement in an asset that takes the form of a guarantee over a transferred asset is measured at the lower of the asset's original carrying amount and the maximum amount of consideration that the Group could be required to pay.

When continuing involvement in an asset takes the form of a written and/or purchased option (including a cash-settled option or similar instrument) on the transferred asset, the amount of the Group's continuing involvement is the value of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar instrument) on an asset measured at fair value, in which case the amount of the Group's continuing involvement is determined as the lower of the fair value of the transferred asset and the exercise price of the option.

Financial obligations

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, the original liability is derecognised and a new liability is recognised, with any difference in the carrying amounts of the liabilities recognised in profit or loss.

Financial assets and financial liabilities are presented gross in the statement of financial position. Financial assets and liabilities are offset against each other and only the net balance is shown in the statement of financial position if there is a legally enforceable right to set off and there is an intention to realise the asset and settle the liability simultaneously. The right of set-off must not be contingent on a future event and must be legally enforceable in all of the following circumstances:

- in the ordinary course of business;
- in case of failure to fulfill the obligation; and
- in the event of insolvency or bankruptcy of any of the counterparties.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to calculate this amount are those enacted or substantively enacted by the reporting date in the Republic of Kazakhstan.

The Group's management periodically evaluates positions reflected in tax returns, in respect of which the relevant tax legislation may vary.interpreted and creates estimated liabilities as necessary.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for consolidated financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, unused tax credits carried forward and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax credits carried forward and unused tax losses can be utilized, except when the deferred tax asset relating to a deductible temporary difference arises from the initial recognition of an asset or liability that, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is also not recognised in profit or loss. Deferred tax items are recognised in accordance with the underlying transactions either in other comprehensive income (OCI) or directly in equity.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Property and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. This cost includes costs associated with the replacement of equipment, recognized when incurred if they meet the recognition criteria.

The carrying amount of property, plant and equipment is assessed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.
Depreciation is calculated on a straight-line basis over the following estimated useful lives of assets:

	Years
Buildings and facilities	10
Office furniture	3-5
Special equipment	3-5
Office equipment	2-5
Other	2-7

The residual values, useful lives and depreciation methods of assets are reviewed at each financial year end and adjusted as necessary.

k) Rent

At inception of a contract, the Group assesses whether the arrangement constitutes or contains a lease. In other words, the Group determines whether the contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of a lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses, adjusted for any remeasurement of the lease liability. The initial cost of right-of-use assets comprises the recognised lease liability, any initial direct costs incurred and any lease payments made on or before the commencement date, less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term or the expected useful life of the asset.

If the title to the leased asset passes to the Group at the end of the lease term, or if the initial cost of the asset reflects the exercise of an option to purchase it, the asset is depreciated over its expected useful life.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

k) Rent (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises lease liabilities that are measured at the present value of the lease payments to be made over the lease term. Lease payments comprise fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option if the Group is reasonably certain to exercise the option, and penalty payments for terminating the lease if the lease term reflects the Group's potential exercise of an option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognised as an expense (except when incurred to produce inventories) in the period in which the event or condition that triggers the payments occurs.

To calculate the present value of lease payments, the Group uses the incremental borrowing rate at the commencement date because the interest rate implicit in the lease cannot be readily determined. After the commencement date, the lease liability is increased to reflect the accrual of interest and decreased to reflect lease payments made. In addition, the Group reassessed the carrying amount of the lease liability when there is a modification, a change in the lease term, a change in lease payments (such as a change in future payments caused by a change in the index or rate used to determine those payments), or a change in the valuation of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., leases for which the lease term is 12 months or less at the commencement date and that do not contain an option to purchase the underlying asset). The Group also applies the recognition exemption to leases of low-value assets. Lease payments for short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

l) Reserves

Provisions are recognised when the Group, as a result of a past event, has a legal or constructive obligation that is likely to require an outflow of resources embodying future economic benefits and that can be reliably estimated.

m) Labor costs and related deductions

Expenses on wages, pension contributions, social security contributions, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued as the relevant work is performed by the Group's employees. On behalf of its employees, the Group pays pension contributions stipulated by the legislation of the Republic of Kazakhstan. Such payments are expensed as incurred. Upon retirement of employees, the Group's financial obligations cease and all subsequent payments to retired employees are made by the state pension fund.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Contingent assets and liabilities

Contingent liabilities are not recognised in the statement of financial position but are disclosed in the consolidated financial statements unless an outflow of resources to settle them is remote. Contingent assets are not recognised in the statement of financial position but are disclosed in the consolidated financial statements unless the flow of economic benefits associated with them is probable.

o) Recognition of interest income

Effective Interest Rate Method

Interest income for all financial instruments measured at amortised cost is calculated using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash Additions through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore the amortised cost of the asset) is calculated taking into account any discount or premium received on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that is the best estimate of a constant rate of return over the expected life of the microloan. Consequently, the Group recognises the impact of potentially different interest rates applied at different stages and other product life cycle characteristics (including penalty interest, fees).

When the cash flow expectations for financial assets are revised for reasons unrelated to credit risk, the adjustment is recognized in the statement of financial position as a positive or negative change in the asset's carrying amount and as an increase or decrease in interest income. The amount of this adjustment is subsequently amortized and recognized in profit or loss as "Interest income."

Interest income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets, other than credit-impaired financial assets.

In the case of a financial asset that becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of that financial asset. If the financial asset defaults and is no longer credit-impaired, the Group reverts to calculating interest income based on gross cost.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) Conversion of foreign currencies

The consolidated financial statements are presented in Kazakhstani tenge, which is the functional and presentation currency of the Group. Transactions in foreign currencies are initially translated to the functional currency at the market exchange rates set on the Kazakhstan Stock Exchange (hereinafter referred to as the "KASE") at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the official exchange rate at the reporting date. Gains and losses arising from the translation of transactions in foreign currencies are recognized in the statement of comprehensive income under "Foreign exchange gain / (loss), net". Non-monetary items measured at actual cost in a foreign currency are translated at the official exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated at the official exchange rate at the date the fair value is determined. The difference between the contractual exchange rate for a foreign currency transaction and the official rate on the date of the transaction is included in net income or expense from foreign currency transactions.

The exchange rates used by the Group in preparing these consolidated financial statements are as follows:

	Exchange rate (to tenge)		Average exchange rate for the period (to tenge)	
Currency	**As at 31 December 2024**	As at 31 December 2023	**2024**	2023
US Dollar	**523.54**	454.56	**469.44**	456.31

p) New standards, clarifications and amendments to them

The Group has adopted for the first time certain standards and amendments that are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The adoption of new standards did not have an impact on the Group's financial statements.

The application of these amendments did not have an impact on the Group's financial statements.

Amendments to IFRS 16 Leases: Lease Liabilities in a Sale and Leaseback Arrangement (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024).

The amendments affect sale and leaseback transactions that satisfy the requirements of IFRS 15 and should be accounted for as sales. The amendment requires the seller-lessee to subsequently measure the lease liability arising from the leaseback so that it does not recognise any gain or loss relating to the right of use retained. This means that any gain is deferred even if the obligation is to make variable payments that do not depend on an index or rate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

p) New standards, clarifications and amendments to them (continued)

Classification of Liabilities as Current and Non-current – Amendments to IAS 1 (initially issued on 23 January 2020 and subsequently amended on 15 July 2020 and 31 October 2022, and finally effective for annual periods beginning on or after 1 January 2024).

The amendments classify liabilities as current or non-current based on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right at the end of the reporting period to defer settlement of the liability for at least twelve months. The guidance no longer requires that the right be unconditional. The amendment, introduced in October 2022, stated that contractual terms, i.e. covenants that must be satisfied after the reporting date, do not affect the classification of debt as current or non-current at the reporting date. Management's expectations about whether it will subsequently exercise its right to defer settlement do not affect the classification of liabilities. A liability is classified as current if a covenant is breached on or before the reporting date, even if a release from the lender is obtained after the reporting period. However, a loan is classified as non-current if a covenant is breached only after the reporting date. In addition, the amendments clarify the requirements for classifying debt that an entity can extinguish by converting it into equity. The term extinguishment is defined as the termination of an obligation through settlement in cash, other resources embodying economic benefits, or the entity's own instruments. There is an exception for convertible instruments that can be converted into equity, but only for those instruments where the conversion option is classified as an equity instrument as a separate component of a compound financial instrument.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Financing Arrangements (issued on 25 May 2023).

In response to requests from users of financial statements regarding inappropriate or misleading disclosures about financing arrangements, in May 2023 the IASB issued amendments to IAS 7 and IFRS 7 to require disclosures about supplier financing arrangements (also known as reverse factoring or factoring). The amendments require disclosures about supplier financing arrangements to enable users of financial statements to evaluate the impact of those arrangements on an entity's liabilities and cash flows, and on the entity's exposure to liquidity risk. The objective of the additional disclosure requirements is to enhance the transparency of supplier financing arrangements. The amendments do not affect recognition or measurement principles, only the disclosure requirements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Standards that have been issued but not yet effective

The following are new standards, amendments and interpretations that have been issued but are not yet effective up to the date of issuance of the Group's financial statements. The Group intends to adopt these standards, amendments and interpretations, if applicable, on their effective dates.

- *Amendments to IAS 21 Restricted Exchange Features (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025);*
- *Amendments to the Classification and Measurement Requirements for Financial Instruments— Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026);*
- *IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027);*
- *IFRS 19 Non-Public Subsidiaries: Disclosures (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027).*
- *IFRS 14 Regulatory Deferral Accounts (issued 30 January 2014);*
- *Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB);*
- *Annual Improvements to IFRS Accounting Standards (issued July 2024 and effective January 1, 2026).*

The amendments are effective for annual periods beginning on or after 1 January 2025. Earlier application is permitted, provided that this fact is disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts of reported revenue, expense, assets and liabilities, and to disclose related information and contingent liabilities. Uncertainty about these judgments and estimates could cause outcomes that require a significant adjustment to the carrying amounts of assets or liabilities that will be affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgments and assumptions about the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about the future could change as a result of events beyond the Group's control that are reflected in the assumptions if or when they occur. Items that have the most significant effect on the amounts recognised in the consolidated financial statements and for which management has made significant judgments and/or estimates are discussed below in light of the judgments/estimates made.

4. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS(CONTINUED)

Impairment losses on financial assets

Estimating impairment losses for all microloans issued requires judgment, in particular, in determining impairment losses and assessing significant increases in credit risk, it is necessary to estimate the amount and timing of future cash flows and the value of collateral. Such estimates depend on a number of factors, changes in which may result in different amounts of impairment allowances.

ECL calculations are the output of a model that includes a number of underlying assumptions about the choice of input variables and their interdependencies. Elements of ECL calculation models that are considered judgments and estimates include the following:

- internal credit rating system,
- grouping of financial assets when the ECL for them is assessed on a group basis;
- development of a model for calculating the OCU, including various formulas and selection of initial data;
- determining the relationships between legislative changes and economic data, and their impact on PD, EAD and LGD indicators.

The Group's policy is to regularly review the model taking into account actual losses and adjust them if necessary.

Further details of the Group’s impairment assessment policy are provided in Note 21.

5. CASH AND CASH EQUIVALENTS

As at 31 December 2024, cash and cash equivalents are represented as follows:

in thousands of tenge	**31 December 2024**	31 December 2023
Cash on hand	**202.002**	156.001
Overnight deposits in secondary banks	**148.494**	–
Cash in current accounts	**10.999**	2.248
	361.495	158.249

6. MICROLOANS ISSUED

As at 31 December 2024, microloans issued are represented by the following:

in thousands of tenge	**31 December 2024**	31 December 2023
Microloans issued against movable property as collateral	**8,680,535**	4,788,535
Microloans issued against real estate collateral	**674,682**	495.480
Unsecured microloans	**275.386**	202.348
Reserve for expected credit losses	**(77.000)**	(85.141)
	9.553.603	5.401.222

The Group's main product is the issuance of microloans for a period of 9 or 12 months secured by items made of precious metals (primarily gold).

The issued microloans are secured by collateral with the following estimated fair value at the time of issuance of the microloan:

in thousands of tenge	**31 December 2024**	31 December 2023
Movable property	**10.495.314**	5,649,770
Real estate	**1.187.728**	804.563
	11.683.042	6.454.333

Movable property is represented mainly by precious metals, which are actually stored by the Group until the client fully repays the microloan.

The movements in expected credit losses (ECL) are shown below:

in thousands of tenge	**2024 year**	2023 year
On 1 January	85.141	83.177
(Recovery)/Accrual	(8.039)	11.321
Write-off	(102)	(9.357)
	77.000	85.141

The Group creates a provision for impairment of issued microloans, which is an estimate of expected credit losses.

6. MICROLOANS ISSUED (CONTINUED)

As at 31 December 2024, the statute of limitations for microloans issued is:

The analysis of changes in the gross book value and related provisions for ECL for the year ended 31 December 2024 is presented below:

	Stage 1	Stage 2	Stage 3	Total
Gross book value as at 1 January 2024	**4.675.062**	**489.958**	**321.343**	**5.486.363**
New assets created	**25.059.606**	**-**	**-**	**25.059.606**
Assets that have been repaid	**(15.031.935)**	**(5.345.628)**	**(610.503)**	**(20.988.066)**
Net change in accrued remuneration	**62.521**	**9.531**	**750**	**72.802**
Transfers in Stage 2	**(6.201.493)**	**6.249.833**	**(48.340)**	**-**
Transfers in Stage 3	**(143.727)**	**(636.324)**	**780.051**	**-**
Amounts written off	**-**	**-**	**(102)**	**(102)**
As at 31 December 2024	**8.420.034**	**767.370**	**443.199**	**9.630.603**

	Stage 1	Stage 2	Stage 3	Total
Reserve for ECL as at 1 January 2024	**43.569**	**13.671**	**27.901**	**85.141**
New assets created	**44.269**	**-**	**-**	**44.269**
Assets that have been repaid	**(50.406)**	**(37.470)**	**(32.609)**	**(120.485)**
Net change in the reserve for ECL	**6.250**	**4.634**	**57.293**	**68.177**
Transfers in Stage 2	**(20.261)**	**25.872**	**(5.611)**	**-**
Transfers in Stage 3	**(6.031)**	**(5.497)**	**11.528**	**-**
Amounts written off	**-**	**-**	**(102)**	**(102)**
As at 31 December 2024	**17.390**	**1.210**	**58.400**	**77.000**

6. MICROLOANS ISSUED (CONTINUED)

The analysis of changes in the gross book value and related provisions for ECL for the year ended 31 December, 2023 is presented below:

	Stage 1	Stage 2	Stage 3	Total
Gross book value as at 1 January 2023	3.442.239	594.148	528.626	4.565.013
New assets created	15.574.923	-	-	15.574.923
Assets that have been repaid	(9.645.703)	(4.473.430)	(493.575)	(14.612.708)
Net change in accrued remuneration	9.005	(9.448)	(40.422)	(40.865)
Transfers in Stage 2	(4.709.256)	4.836.296	(127.040)	-
Transfers in Stage 3	3.854	(457.608)	453.754	-
As at 31 December 2023	**4.675.062**	**489.958**	**321.343**	**5.486.363**

	Stage 1	Stage 2	Stage 3	Total
Reserve for ECL as at 1 January 2023	58.974	9.368	14.835	83.177
New assets created	292.650	217	2	292.869
Assets that have been repaid	(258.562)	(46.325)	(23.008)	(327.895)
Net change in the reserve for OCL	(993)	14.697	23.286	36.990
Transfers in Stage 2	(48.500)	48.500	-	-
Transfers in Stage 3	-	(12.786)	12.786	-
As at 31 December 2023	**43.569**	**13.671**	**27.901**	**85.141**

Modified and restructured loans

The Group derecognises a financial asset, such as a loan to a customer, if the terms of the contract are renegotiated so that in substance it becomes a new loan, and the difference is recognised as a gain or loss on derecognition before any impairment loss is recognised. On initial recognition, loans are classified in Stage 1 for the purpose of measuring ECL, unless the originated loan is considered a POCI asset.

If the modification does not result in a significant change in cash flows, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate, the Company recognizes a gain or loss on the modification before any impairment loss is recognized.

During 2024, the Group modified the terms of certain loans. The Group assessed these modifications as immaterial. As a result, the Group did not recognize a loss from modification of the terms of loans to customers that does not result in derecognition.

7. PROPERTY AND EQUIPMENT

As at 31 December 2024, , property and equipment consist of the following:

in thousands of tenge	**Buildings and facilities**	**Office furniture**	**Special-equipment**	**Office equipment**	**Other**	**Total**
Cost:						
As at 1 January 2023	**4.915**	**177.220**	**326.691**	**64.192**	**5.004**	**578.022**
Additions	-	5.304	9.591	6.729	972	22.596
Disposals	-	(564)	(24.772)	(2.720)	(81)	(28.137)
As at 31 December 2023	**4.915**	**181,960**	**311.510**	**68.201**	**5.895**	**572.481**
Additions	-	41.880	230.232	22.430	-	294.542
Disposals	-	(79.288)	(141.426)	(28.429)	(1.544)	(250.687)
As at 31 December 2024	**4.915**	**144.552**	**400.316**	**62.202**	**4.351**	**616.336**
Accumulated depreciation:						
As at 1 January 2023	**(287)**	**(67.177)**	**(128.485)**	**(42.974)**	**(2.481)**	**(241.404)**
Depreciation per year	(492)	(32.447)	(76.521)	(6.363)	(952)	(116.775)
Depreciation on disposals	-	270	7.506	1.873	72	9.721
As at 31 December 2023	**(779)**	**(99.354)**	**(197,500)**	**(47.464)**	**(3.361)**	**(348.458)**
Depreciation per year	(492)	(22.949)	(68.291)	(4.935)	(559)	(97.226)
Depreciation on disposals	-	47.750	117.878	19.325	1.180	186.134
As at 31 December 2024	**(1.271)**	**(74.553)**	**(147.913)**	**(33.073)**	**(2.740)**	**(259.550)**
Net book value:						
As at 31 December 2023	4.136	82.606	114.010	20.737	2.534	224.023
As at 31 December 2024	**3.644**	**69.999**	**252.403**	**29.129**	**1.611**	**356.786**

As at 31 December 2024, the initial cost of fully depreciated property and equipment was 46.910 thousand tenge (2023: 671 thousand tenge).Special equipment is represented mainly by precious metal analyzers, which are necessary for assessing collateral when issuing microloans.

Intangible assets

As at 31 December 2024, intangible assets represent software in the amount of 31.801 thousand tenge (As at 31 December 2023:2.431 thousand tenge).

8. RIGHT-OF-USE ASSETS

As at 31 December 2024, right-of-use assets consist of the following:

in thousands of tenge	**2024**	2023
Initial cost		
As at 1 January	**1.694.651**	1.620.135
Additions (Note 11)	**132.071**	74.516
As at 31 December	**1.826.722**	1.694.651
Amortisation		
As at 1 January	**(1.612.677)**	(1.106.076)
Depreciation charges	**(77.226)**	(323.718)
Modification	**(3.025)**	(182.883)
As at 31 December	**(1.692.928)**	(1.612.677)
Net book value		
As at 1 January	**81.975**	514.059
As at 31 December	**133.794**	81.974

For the purpose of issuing microloans, the Group leases commercial premises in cities of the Republic of Kazakhstan, primarily in Shymkent, for periods of 4 to 6 years. Lease liabilities are presented in Note 11.

9. OTHER CURRENT ASSETS

As at 31 December 2024, , advances paid and other current assets are as follows:

in thousands of tenge	**31 December 2024**	31 December 2023
Advances issued for services	**27.224**	29.510
Other	**19.647**	2.889
As at 31 December 2024st	**46.871**	32.399

10. LOANS RECEIVED

As at 31 December 2024, , loans received are as follows:

in thousands of tenge	Purpose of funding	Maturity date	Interest rate	**31 December 2024**	31 December 2023
JSC ForteBank	Replenishment of working capital	2025 year	19,50%	**702.947**	-
				702.947	-

10. LOANS RECEIVED (CONTINUED)

JSC ForteBank

In March 2024, the Group entered into a loan agreement with JSC ForteBank. The total amount of the revolving credit facility was KZT 900.000 thousand with the maximum drawdown date of June 1, 2025 and the final settlement date of 31 December, 2027. For the year ended 31 December 2024, the Group received loans in the amount of KZT 2.531.400 thousand under the credit facility and repaid the debt in the amount of KZT 1.833.900 thousand. The loans were provided at a rate of 19.5% per annum for a period of up to 1 year.

The movement in borrowings for the year ended 31 December 2024 is as follows:

in thousands of tenge	**2024 year**	2023 year
At the beginning of the year	**-**	1.414.071
Loans received	**2.531.400**	2.267.980
Repayment of loans	**(1.833.900)**	(3.779.961)
Accrued interest (Note 16)	**69.465**	143.439
Interest paid	**(64.018)**	(45.143)
Exchange rate difference	**-**	(386)
At the end of the year	**702.947**	-

11. LEASE LIABILITIES

As at 31 December 2024, lease liabilities consist of the following:

in thousands of tenge	**31 December 2024**	31 December 2023
On 1 January	**90.757**	545.528
Additions (Note 8)	**132.071**	74.516
Payments	**(101.013)**	(433.363)
Amortization of discount (Note 16)	**31.123**	77.682
Modification	**(3.501)**	(173.606)
As at 31 December 2024st	**149.437**	90.757
Including:		
Non-current portion	**99.644**	61.648
Current portion	**49.793**	29.109
	149.437	90.757

The Company leases office space and recognizes lease liabilities at the present value of lease payments. In 2024, the rate used to record lease liabilities was 19.7%.

12. TRADE AND OTHER PAYABLES

As at 31 December 2024, , trade and other payables consist of the following:

in thousands of tenge	**31 December 2024**	31 December 2023
Trade accounts payable	**45.547**	31.171
Payments on microloans received in advance	**38.165**	11.358
Reserve for unused vacations	**11.303**	11.408
Salaries and related debts	**6.081**	1.903
Other accounts payable	**-**	198
	101.096	56.038

13. BONDS

in thousands of tenge	**31 December 2024**	31 December 2023
Debt on issued bonds	**5.654.461**	1.871.859
Accrued coupon interest	**86.474**	30.102
	5.740.935	1.901.961

During the period from September to December 2024, the Company placed 3,100 thousand coupon bonds on the Kazakhstan Stock Exchange (KASE) with a fixed coupon rate of 20,00%–22,00% per annum and a par value of 1.000 tenge on the date of placement.

Coupon payments are made monthly and quarterly throughout the entire term of the bonds. For the year ended 31 December 2024 coupon payments on issued bonds amounted to 55.839 thousand tenge.

Two issues of the specified bonds were made within the framework of the Company's first bond program, registered on 19 August 2024 in the amount of 5 billion tenge. Four issues (with a term of 12 months) were issued outside the framework of the bond program.

On 5 April 2023, the Group issued 63.119 tenge coupon bonds and 39.791 US dollar coupon bonds with a par value of 1.000 tenge and 100 US dollars per unit. The bonds were issued to replenish working capital and finance current operating activities. The bonds were placed at par value.

The movement in debt securities for the year ended 31 December 2024 is as follows:

in thousands of tenge	**2024 year**	2023 year
At the beginning of the year	**1.901.961**	-
Proceeds from placement	**4.128.587**	1.887.494
Bond redemption	**(700.000)**	-
Accrued coupon (Note 16)	**421.222**	82,000
Paid coupon	**(372.266)**	(60.072)
Amortization of discount *(Note 16)*	**4.009**	-
Exchange rate difference	**357.422**	(7.461)
At the end of the year	**5.740.935**	1.901.961

14. CHARTER CAPITAL

As at 31 December 2024 the registered and paid-up share capital of the Company amounted to 3.200.000 thousand tenge (As at 31 December 2023 – 3.200.000 thousand tenge).

The Group members are represented by the following individuals who are citizens of the Republic of Kazakhstan:

		2024		2023
	Share, %	***in thousands of tenge***	Share, %	*in thousands of tenge*
Baidosova Akgul	50,000	**1.600.000**	50,000	1.600.000
Mukan Gulzhan	28,125	**900.000**	28,125	900.000
Patima Mamyrbek	21,875	**700.000**	21,875	700.000
	100	**3.200.000**	100	3.200.000

In 2024, dividends in the amount of 221.520 thousand tenge were declared and paid.

15. INTEREST INCOME

For the years ended 31 December, interest income was as follows:

in thousands of tenge	**2024 year**	2023 year
Interest income on microloans issued	**2.336.141**	1.668.085
Income from fines and penalties	**278.624**	167.028
Other income	**11.067**	18.125
	2.625.832	1.853.238

16. INTEREST EXPENSES

For the years ended 31 December, finance expenses are as follows:

in thousands of tenge	**2024 year**	2023 year
Bond coupon (Note 13)	**421.222**	82,000
Interest on loans received (Note 10)	**69.465**	143.439
Amortization of discount on lease liabilities (Note 11)	**31.123**	77.682
Amortization of discount on bonds (Note 13)	**4.009**	-
	525.819	303.121

17. GENERAL AND ADMINISTRATIVE EXPENSES

For the years ended 31 December, general and administrative expenses were as follows:

in thousands of tenge	**2024 year**	2023 year
Salary expenses	**545.443**	298.729
Short-term office and branch lease	**379.162**	13.041
Depreciation and amortization	**176.246**	441.928
Professional Services	**151.264**	79.811
Write-off of property and equipment	**109.440**	-
Maintenance and repair of property and equipment	**127.553**	246.620
Bank fees	**13.815**	15.072
Advertising expenses	**13.563**	12.150
Change in accounting estimates IFRS 16 (Note 8 and 11)	**(476)**	9.277
Travel expenses	**5.929**	-
Other	**78.046**	60.940
	1.599.985	1.177.568

18. INCOME TAX EXPENSES

For the years ended 31 December, income tax expense was as follows:

in thousands of tenge	**2024 year**	2023 year
Corporate Income Tax Expense	**89.686**	77.347
Corporate income tax expenses for non-residents	**4.491**	24.293
Savings on deferred income taxes	**10.017**	(8.838)
Total expenses on income tax	**104.194**	92.802

18. INCOME TAX EXPENSES (CONTINUED)

Below is a reconciliation between income tax expense and accounting profit multiplied by the income tax rate applicable in Kazakhstan:

	2024 year	2023 year
Profit before tax	**211.889**	394.974
Official income tax rate	**20%**	20%
Estimated amount of income tax expense	**42.378**	78.995
Corporate Income Tax for Non-Residents	**4.491**	24.293
Branch repair costs	**15.000**	-
Other permanent differences	**42.325**	(10.486)
Total income tax expenses	**104.194**	92.802

Deferred tax assets

As of 31 December 2024 and 2023, deferred tax assets and liabilities are as follows:

in thousands of tenge	**31 December 2024**	**Temporary differences**	31 December 2023
Lease liabilities	**29.888**	**11.737**	18.151
Unused vacation reserve	**1.756**	**(516)**	2.272
Property and equipment and intangible assets	**8.967**	**1.773**	7.194
Deferred tax assets	**40.611**	**12.994**	27.617
Right-of-use assets	**(26.758)**	**(10.363)**	(16.395)
Bonds	**(12.648)**	**(12.648)**	-
Deferred tax liabilities	**(39.406)**	**(23.011)**	(16.395)
Net deferred tax assets	**1.205**	**(10.017)**	11.222

The movements in deferred tax assets are presented below:

in thousands of tenge	**2024 year**	2023 year
As at 1 January	**11.222**	2.384
Refers to profit or loss	**(10.017)**	8.838
As at 31 December	**1.205**	11.222

Income tax liabilities as of 31 December 2024 amounted to 84.638 thousand tenge (31 December 2023: 19.313 thousand tenge).

19. RELATED PARTY TRANSACTIONS

In accordance with IAS 24 Related Party Disclosures, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making operating or financial decisions. In determining whether parties are related, the substance of the relationship, not just the legal form, is taken into account. Related parties may enter into transactions that would not be entered into between unrelated parties. The prices and terms of such transactions may differ from those of unrelated parties.

Transactions with members of key management personnel

During 2024 key management personnel are represented by the CEO and Chief Accountant. Remuneration of key management personnel includes the following:

in thousands of tenge	**2024 year**	2023 year
Salaries and other payments	**22.824**	25.034

20. CONTRACTUAL AND CONTINGENT COMMITMENTS

Insurance

The insurance market in the Republic of Kazakhstan is in its infancy and many forms of insurance common in other parts of the world are not yet available in Kazakhstan. The Group does not have full insurance coverage for any business interruption losses or third party liabilities. Until the Group has adequate insurance coverage, there is a risk that the loss of or damage to certain assets could have a material adverse effect on the Group’s operations and financial position.

Litigation

In the normal course of business, the Group may be subject to legal claims or proceedings. In the opinion of management, there are currently no current legal proceedings or claims outstanding that could have a material effect on the Group's results of operations or financial position.

Taxation

Kazakhstan’s tax legislation and regulations are subject to constant change and varying interpretations. There are frequent disagreements between local, regional and national tax authorities. The current system of fines and penalties for violations under the laws in force in Kazakhstan is quite severe. Penalties include fines – usually 50% of the amount of additionally assessed taxes – and a penalty calculated at the refinancing rate set by the National Bank of Kazakhstan multiplied by 2.5. As a result, the amount of fines and penalties may be several times higher than the amount of additional taxes to be assessed. Financial periods remain open to audit by tax authorities for 3 (three) calendar years preceding the year in which the audit is conducted. Under certain circumstances, audits may cover longer periods. Due to the uncertainty inherent in the Kazakhstan tax system, the final amount of taxes, penalties and interest, if any, may exceed the amount expensed to date and accrued As at 31 December 2024. Management believes that As at 31 December 2024 its interpretation of applicable legislation is appropriate and the Group's tax position will be sustained.

21. FINANCIAL RISK MANAGEMENT

Introduction

The Group's activities are exposed to various financial risks: liquidity risk, market risk and credit risk. In general, the Group's activities involve significant credit risk. The Group's main financial liabilities include loans received. The main purpose of these financial liabilities is to finance the Group's activities in order to increase the loan portfolio.

The Group's financial assets include cash and cash equivalents, as well as debt directly related to microloan claims issued to customers.

The Group has established a risk and compliance department, the procedures of which are aimed at identifying and analyzing potential risks, setting appropriate limits on microloans issued to clients and observing the limits using the Group's information system. The Group regularly reviews its risk management approaches and systems to reflect changes in markets, products and emerging best practices.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of foreign exchange risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate, foreign exchange and equity financial instruments denominated in foreign currencies and exposed to general and specific market movements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will change due to changes in market interest rates. The Group is not exposed to interest rate fluctuations, as interest rates on microloans attracted and issued are fixed.

Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

As a result of the Group's borrowings in foreign currencies, the Group's consolidated statement of financial position may be significantly affected by changes in foreign currency exchange rates against the tenge. The following table presents the sensitivity of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) to a possible change in the exchange rate between the euro and the US dollar, assuming that all other parameters are held constant.

In thousands of tenge	**Increase/Decrease in exchange rate**	**Impact on pre-tax income**
2024		
US Dollars	+18%	**477.351**
	-18%	**(477.351)**
2023		
US Dollars	+18%	342.353
	-18%	(342.353)

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

The Group's credit risk arises primarily from issuing microloans to individual clients. It can be characterized as the risk of financial losses arising from the borrower's failure to fulfill its obligations to the Group. The borrower's failure to fulfill its obligations may arise as a result of a deterioration in its financial condition or a lack of desire to fulfill its obligations.

The Group has developed a credit quality review process to ensure early detection of potential changes in the creditworthiness of counterparties, including periodic review of the amount of collateral. The credit quality review process enables the Group to assess the amount of potential losses from the risks to which it is exposed and to take appropriate measures.

Impairment assessment

The Group calculates expected credit losses (ECL) based on several probability-weighted scenarios to estimate expected cash shortfalls, which are discounted using the effective interest rate or its approximation. The cash shortfall is the difference between the cash flows due to the entity under the contract and the cash flows that the entity expects to receive. The mechanics of calculating ECL are described below, and the key elements are as follows:

Probability of Default (PD)	*Probability of default*is an estimated probability of a default occurring over a given time period. A default can only occur at a certain point in time during the period under consideration if the asset has not been derecognized and is still part of the portfolio.
Exposure to default (EAD)	*Value at risk of default*, is an estimate of the amount subject to default at some future date, taking into account expected changes in that amount after the reporting date, including payments of principal and interest stipulated by contract or otherwise, expected repayments of issued microloans and interest accrued as a result of late payments.
Loss Given Default (LGD)	*Loss Given Default*is an estimate of the losses that would result from a default occurring at a given point in time. This indicator is calculated based on the difference between the contractual cash flows and the cash flows that the lender expects to receive, including as a result of the sale of collateral. It is usually expressed as a percentage of EAD.

The allowance for ECL is calculated based on the credit losses expected to occur over the life of the asset (lifetime expected credit losses or lifetime ECL) if there has been a significant increase in credit risk since initial recognition, otherwise the allowance is calculated at an amount equal to 12 months expected credit losses (12-month ECL). 12-month ECL is the portion of lifetime ECL that represents ECLs that arise from defaults on a financial instrument that are possible within 12 months after the reporting date. Lifetime ECL and 12-month ECL are calculated either individually or collectively, depending on the nature of the underlying portfolio of financial instruments.

The Group has developed a policy to assess at the end of each reporting period whether the credit risk on a financial instrument has increased significantly since initial recognition, taking into account changes in the risk of a default occurring over the remaining life of the financial instrument. Based on the process described above, the Group groups its loans into the following groups:

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Impairment Assessment (continued)

Stage 1: Financial instruments that do not have factors indicating a significant increase in credit risk and do not have signs of impairment, for which ECL is calculated within 1 year.

Stage 2: Financial instruments that have factors indicating a significant increase in credit risk, but no evidence of impairment, for which ECL is calculated over the life of the financial instrument.

Stage 3: Financial instruments that have signs of default (impairment), for which the ECL is calculated over the entire life of the financial instrument.

Definition of default and recovery

The Group considers a financial instrument to be in default and therefore classifies it into Stage 3 for the purposes of calculating ECL whenever the borrower is 90 days past due on contractual payments.

As part of the qualitative assessment of whether a customer is in default, the Group also considers a number of events that may indicate that payment is unlikely. If such events occur, the Group carefully considers whether the event results in a default and whether the assets should be classified in Stage 3 for ECL purposes or whether Stage 2 is appropriate. Such events include the following:

- significant changes in external market indicators of credit risk for a given microloan with the same expected maturity;
- actual and expected decrease in the internal or external credit rating of the borrower;
- significant changes in the value of collateral for microcredit, or credit enhancement mechanisms provided by third parties, which are expected to reduce the economic incentive for the borrower to make scheduled payments on the loans received;
- significant financial difficulties of the borrower;
- restructuring of a loan due to financial difficulties one or more times in the last 12 months;
- availability of information about force majeure circumstances that have caused significant material damage to the borrower or prevent him from continuing his activities;
- high probability of bankruptcy or other type of financial reorganization, as well as involvement in legal proceedings of the borrower, which may worsen his financial situation;
- death of the borrower.

In accordance with the Group's policy, financial instruments are considered to be 'cured' and therefore transferred out of Stage 3 when the following conditions are met simultaneously:

- absence of signs of impairment at the reporting date;
- the presence of at least one factor indicating a significant reduction in credit risk since the date of initial recognition.

An additional condition for recovery from Stage 3 is the making of at least three consecutive payments in accordance with the last schedule approved in accordance with the restructuring.

The decision as to whether an asset should be classified in Stage 2 or Stage 1 if it is 'recovered' depends on the revised credit rating level at the time of recovery and an assessment of whether there has been a significant increase in credit risk since initial recognition.

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Value at risk of default

Exposure at default (EAD) is the gross carrying amount of financial instruments subject to an impairment assessment and reflects both the customer's ability to increase its debt as it approaches default and the ability to repay early. To calculate EAD for Stage 1 loans, the Group estimates the probability of default occurring within 12 months to estimate the 12-month ECL. For Stage 2 and Stage 3 assets, EAD is considered for events that could occur over the life of the instrument.

The Group determines the EAD by modelling a range of possible default outcomes at different points in time, corresponding to multiple scenarios. The Group then assigns PDs to each economic scenario based on the results of the models in accordance with IFRS 9.

Loss Given Default

The credit risk assessment is based on a standard LGD assessment model, which results in specific LGD levels. These LGD levels take into account the expected EAD compared to the amounts expected to be recovered or realized through the sale of the collateral held.

The Group groups its credit products into homogeneous groups based on key characteristics that are relevant for estimating future cash flows. This is done by using historical loss information and considering a wide range of transaction-specific characteristics (e.g. product type, types of collateral) as well as borrower characteristics.

Where appropriate, new data and forecast economic scenarios are used to determine the level of LGD under IFRS 9 for each group of financial instruments. When evaluating forward-looking information, expected outcomes are based on multiple scenarios. Examples of key inputs include changes in the value of collateral, commodity prices, payment status or other factors that indicate that a group of instruments will experience losses.

LGD levels are estimated for all Stage 1, 2 and 3 asset classes. Inputs for such LGD levels are estimated and, where possible, adjusted through backtesting to take into account recent recoveries. Where necessary, such inputs are determined for each economic scenario.

Grouping of financial assets that are assessed on a group basis

The Group calculates ECL either on an individual basis or on a collective basis. Asset classes for which the Group calculates ECL on an individual basis include financial instruments that are significant (the amount outstanding of the borrower at the reporting date exceeds or equals 20% of the Company's equity) and for which a significant increase in credit risk or indicators of impairment have been identified. Asset classes for which the Group calculates ECL on a collective basis include financial instruments that are not significant and do not have indicators of a significant increase in credit risk or indicators of impairment.

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Forecast information and multiple economic scenarios

The Group uses a wide range of forward-looking information as economic inputs in its ECL calculation models. The inputs and models used in calculating ECL do not necessarily reflect all market characteristics at the presentation date. consolidated financial statements. To reflect this, qualitative adjustments or overlays are sometimes made as temporary adjustments if such differences are material. To obtain forecast information, the Group uses data from external sources (statistics and forecasts published by the National Bank of the Republic of Kazakhstan). Risk and Compliance Department specialists determine the weighting factors attributed to multiple scenarios.

The carrying amount of financial assets represents the maximum exposure to credit risk. The maximum credit risk exposure as of 31 December was:

in thousands of tenge	**2024 year**	2023 year
Microloans issued	**9.553.603**	5.401.222
Cash (minus cash on hand)	**10.999**	2.248
	9.564.602	5.403.470

Liquidity risk

Liquidity risk is the possibility that the Group will encounter difficulty in raising funds to meet its financial obligations. Liquidity risk may arise from the inability to promptly realise a financial asset at a cost approaching its fair value. Liquidity requirements are regularly monitored and management ensures that sufficient funds are available to meet obligations as they arise.

The following table provides information As at 31 December 2024 and 2023 on undiscounted payments on the Group's financial liabilities by maturity of these liabilities:

in thousands of tenge	On demand nia	Less than 3 months	From 3 months to 1 year	From 1 year to 5 years	Total
31 December 2024					
Trade and other accounts payable	-	101.096	-	-	101.096
Lease liabilities	-	24.993	61.056	171.666	257.715
Bonds	-	23.995	3.322.756	3.099.442	6.446.193
Total financial liabilities	**-**	**150.084**	**3.383.812**	**3.271.108**	**6.805.004**
31 December 2023					
Trade and other accounts payable	-	56.038	-	-	56.038
Lease liabilities	-	12.240	44.388	86.764	143.392
Bonds	-	-	75.963	2.165.045	2.241.008
Total financial liabilities	-	68.278	120.351	2.251.809	2.440.448

22. FAIR VALUE ASSESSMENT

Fair value measurement is intended to estimate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

However, given the uncertainty and the use of subjective judgment, fair value should not be interpreted as being realizable in an immediate sale of assets or transfer of liabilities.

The estimated fair value of financial assets and liabilities is calculated using discounted cash flow techniques based on estimated future cash flows and discount rates for similar instruments at the reporting date.

Fair Value Measurement Hierarchy

For the purpose of disclosing the fair value of financial instruments carried at amortised cost, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

	31 December 2024				
		Fair value by assessment levels			
in thousands of tenge	Current value	Quotes on active markets (Level 1)	Significant observed baseline data (Level 2)	Significant unobservable inputs (Level 3)	**Total**
Financial assets and liabilities carried at amortized cost:					
Cash and cash equivalents	10.999	-	10.999	-	**10.999**
Microloans issued	9.553.603	-	9.553.603	-	**9.553.603**
Lease liabilities	(149.437)	-	(149.437)	-	**(149.437)**
Bonds	(5,740,935)	-	(5,740,935)	-	**(5,740,935)**
Trade and other accounts payable	(101.096)	-	(101.096)	-	**(101.096)**
	3.573.134	**-**	**3.573.134**	**-**	**3.573.134**

22. FAIR VALUE ASSESSMENT(CONTINUED)

	31 December 2023				
		Fair value by assessment levels			
in thousands of tenge	Current value	Quotes on active markets (Level 1)	Significant observed baseline data (Level 2)	Significant unobservable inputs (Level 3)	**Total**
Financial assets and liabilities carried at amortized cost:					
Cash and cash equivalents	2.248	-	2.248	-	**2.248**
Microloans issued	5.401.222	-	5.401.222	-	**5.401.222**
Lease liabilities	(90.757)	-	(90.757)	-	**(90.757)**
Bonds	(1.901.961)		(1.901.961)		**(1.901.961)**
Trade and other accounts payable	(56.038)	-	(56.038)	-	**(56.038)**
	3.354.714		**3.354.714**		**3.354.714**

In the case of financial assets and financial liabilities that have a short maturity (less than one year), it is assumed that their carrying amount is approximately equal to their fair value.

In relation to the assessment of the fair value of microloans issued, the Group assumes that if the interest rates on such microloans correspond to the range of rates observed in the market, then the carrying amount is approximately equal to the fair value.

Maturity analysis of assets and liabilities

The table below presents assets and liabilities by expected maturity dates:

		31 December 2024	
in thousands of tenge	**Within one year**	**More than one year**	**Total**
Cash and cash equivalents	361.495	-	**361.495**
Microloans issued	9.354.308	199.295	**9.553.603**
Property and equipment	-	356.786	**356.786**
Intangible assets	-	31.801	**31.801**
Right-of-use assets	-	133.794	**133.794**
Deferred income tax assets	-	1.205	**1.205**
Advance payments of corporate income tax	-	29.081	**29.081**
Other current assets	46.871	-	**46.871**
Total	**9,762,674**	**751.962**	**10.514.636**
Trade and other accounts payable	101.096	-	**101.096**
Debt on other taxes and mandatory payments	15.100	-	**15.100**
Corporate Income Tax Liabilities	84.638	-	**84.638**
Lease liabilities	49.793	99.644	**149.437**
Loans received	702.947	-	**702.947**
Bonds	3.214.776	2.526.159	**5.740.935**
Total	**4.168.350**	**2.625.803**	**6.794.153**
Net position	**5.594.324**	**(1.873.841)**	**3.720.483**

22. FAIR VALUE ASSESSMENT(CONTINUED)

Maturity Analysis of Assets and Liabilities (continued)

	31 December 2023		
in thousands of tenge	**Within one year**	**More than one year**	**Total**
Cash and cash equivalents	158.249	-	**158.249**
Microloans issued	5.014.644	386.578	**5.401.222**
Property and equipment	-	224.023	**224.023**
Intangible assets	-	2.431	**2.431**
Right-of-use assets	-	81.974	**81.974**
Deferred income tax assets	-	11.222	**11.222**
Other current assets	32.399	-	**32.399**
Total	**5.205.292**	**706.228**	**5.911.520**
Trade and other accounts payable	56.038	-	**56.038**
Debt on other taxes and mandatory payments	9.143	-	**9.143**
Corporate Income Tax Liabilities	19.313	-	**19.313**
Lease liabilities	61.648	29.109	**90.757**
Bonds	30.102	1.871.859	**1.901.961**
Total	**176.244**	**1,900,968**	**2.077.212**
Net position	**5.029.048**	**(1.194.740)**	**3.834.308**

23. CAPITAL MANAGEMENT

The Group manages its capital adequacy levels to protect against risks inherent in its activities. The Group's capital adequacy is monitored using, among other methods, ratios established by the National Bank of the Republic of Kazakhstan (hereinafter referred to as the "NBRK") when supervising the Group's activities.

As at 31 December 2024 and 2023, the Group was in compliance with all externally imposed capital requirements.

The primary objective of capital management for the Group is to ensure compliance with externally imposed capital requirements and to maintain the credit rating and capital adequacy ratios necessary to carry out its operations and maximise its value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the activities it carries out.

The NBRK sets and monitors the implementation of the requirements for the level of capital of the Group. In accordance with the current requirements established by the NBRK, microfinance organizations must maintain:

- the ratio of equity capital to the sum of assets on the balance sheet and unsecured consumer microloans minus provisions (k1) is not less than 0.1;
- the ratio of the size of the risk per borrower for its obligations to its equity capital (k2) is no more than 0.25;
- the ratio of total liabilities to equity (k3) is no more than 10.

23. CAPITAL MANAGEMENT (CONTINUED)

The table below shows an analysis of the Company's capital, calculated in accordance with the requirements of the NBRK, As at 31 December 2024 and 2023:

	31 December 2024	31 December 2023
Coefficient k1	**1,616**	1,486
Coefficient k2	**0.141**	0.051
Coefficient k3	**0.947**	0.557

The Group is also required to comply with the NBRK requirements for the size of the authorized capital and equity capital. In accordance with the NBRK requirements, the minimum authorized capital and equity capital for microfinance organizations is 100.000 thousand tenge and 100.000 thousand tenge, respectively. As at 31 December 2024 and 2023, the Group complied with all requirements imposed on it by supervisory authorities regarding the minimum size of the authorized capital and equity capital.

24. SUBSEQUENT EVENTS

On April 8, 2025, the founders decided to change the location (legal address) of the MFO to the following address:RK, Turkestan region, Otyrar district, Shaulder rural district, Shaulder village, Zhibek Zholy Avenue, house 29/1.

In April 2025, the Company made a full repayment of USD 2 million on the bonds, including the principal amount and coupon interest, on the Astana International Exchange (AIX) platform.