



Annual Report 2021 Годовой отчет



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LETTER FROM THE EXECUTIVE DIRECTOR

Dear clients and partners,

I am pleased to provide the 2021 annual report of Microfinance Organization Asian Credit Fund LLP.

In 2021 ACF started implementing a new 3-years strategic plan under the theme of “Achievement of Prominent Business and Social Results, High Satisfaction of the Clients and Employees by Provision of Innovative but Traditional Microfinance Services”. One of our strategies was a digital transformation to improve our interaction with clients, increase our workforce efficiency and develop new business.

This strategy was selected to better serve ACF’s target client, citizens of rural areas, to introduce them to on-line services. According to the report “Digital 2021: Kazakhstan”, internet penetration in Kazakhstan in 2021 was 81.9% with 63.5% of the population active users of social networks (this rose to 72.3% for January 2022). Most users chose mobile phones to access social networks and look for information. Thanks to the “Digital Kazakhstan” program and the “250+” project, the digital divide between urban and rural populations was reduced and internet download speed increased by 48% YoY to 18 Mbps. This is the best indicator among the Central Asian countries and as a result, most citizens in rural areas now have access to modern means of communication equal to their urban neighbours.

The use cash is declining significantly in Kazakhstan as well. The payment card market has become more accessible, and more citizens are switching to cash-



less payments. Over the last two years, the number of cards in circulation has grown by an average of 35.7% per year. Our clients are accustomed to making many different payments online, including receiving and repaying microloans. Assessing all of these factors led us to proceed with ACF’s digital transformation.

Our 2021 results were in line with our digitalization strategy and work priorities. In 2021 we concluded the following:

- developed a WhatsApp chatbot to communicate with our clients
- automated funds transfer to client bank accounts
- expanded the ways borrowers may make payments by our payment partner “Kassa 24” to accept payments through cash-in terminals
- implemented a new module which expands our system’s capability for 3rd party transactions
- and developed the interface which will form the basis of online disbursements.

As a part of our strategy of expanding financial inclusion for the rural population of Kazakhstan, we disbursed over KZT 16.3 billion in loans in 2021 and grew our loan portfolio by 50% to KZT 12.5 billion. Among our 30,191 active borrowers at year end 2021, 92% are from rural areas and 69% are women. ACF is also among the top 10 MFIs in Kazakhstan in terms of assets and loan portfolio.

Each year ACF introduces changes in its operations to enable our clients to improve their businesses to get closer to reaching their financial goals. In 2021 ACF launched new

customer-centric services which included the following:

- pilot of proprietary credit scoring system
- launch of a new “revolving credit line”
- introduction of targeted special offers with lower interest rates for SMEs and offers aimed at increasing access to finance for people from rural areas
- reduced our contracts from 27 pages to 7.

For the further convenience of our customers, we also opened 2 new offices in the Turkestan region, which brought us to 7 branches and 51 offices mostly located in the rural areas of Kazakhstan.

2022 will be the 25th anniversary of our Company. Since its inception, ACF has worked to become a leader in expanding access to financial services for people in the rural areas of Kazakhstan. As we mark our anniversary in 2022, we will continue to strive to reach more rural households and SMEs in Kazakhstan with affordable, flexible, client-focused financing.

In conclusion, I would like to thank our employees for their dedication, hard work and professionalism, especially through the COVID-19 pandemic. This dedication allowed us to achieve these strong results in 2021. We also recognize and thank our customers for their confidence in us during this challenging time. Thank you for choosing ACF and we look forward to serving you even better in 2022!

Zhanna Zhakupova
Executive Director
ACF

ABOUT ACF

LICENSE

License to carry out microfinance activities No.02.21.0008.M dated 04.03.2021, issued by the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market.

MISSION

To be the leading development organization in Kazakhstan's microfinance sector providing financial and development services to households to improve the quality of life in rural households.

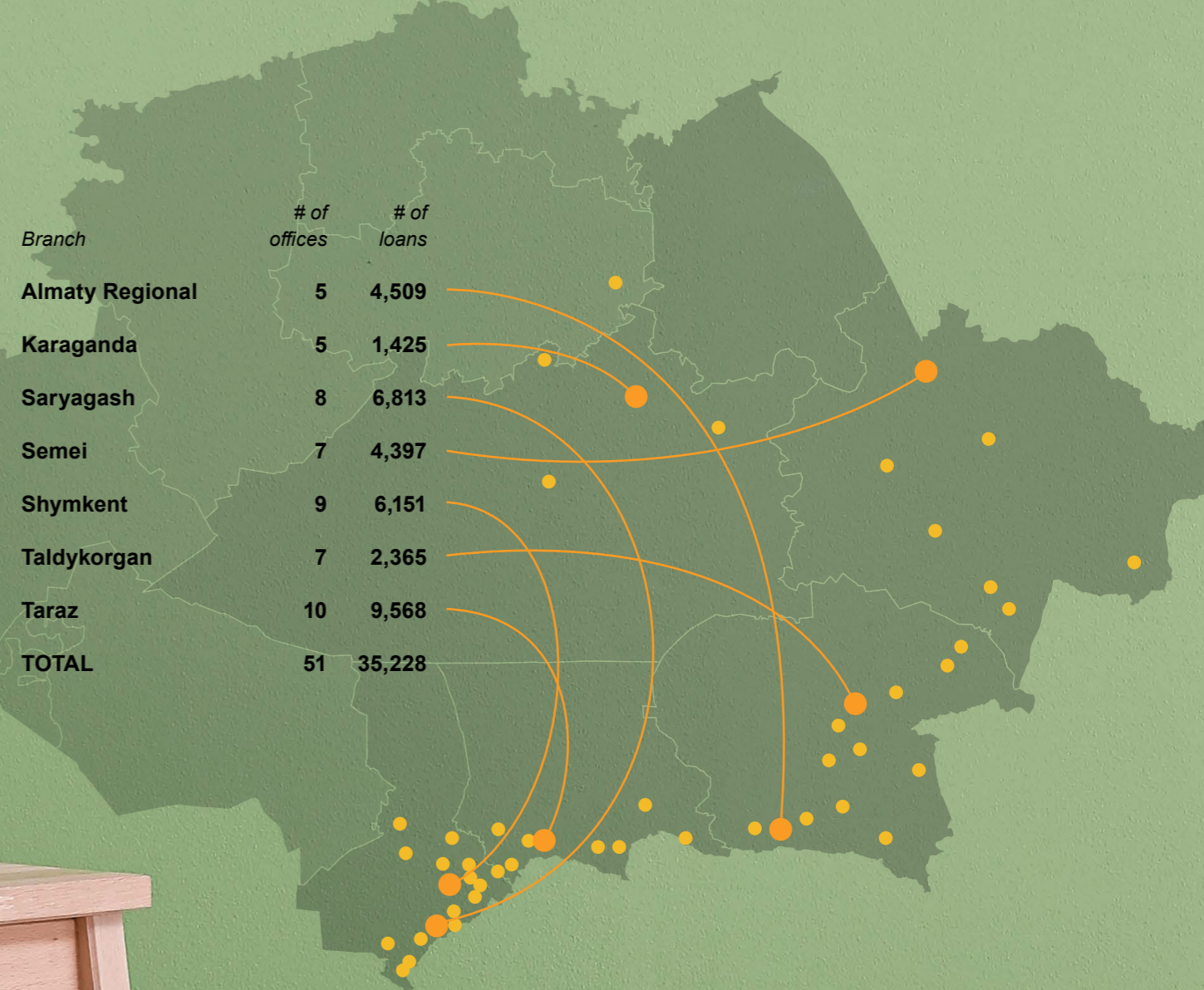
VISION

To realize a vibrant civil society in the Republic of Kazakhstan, nurtured by the development of sustainable rural households.



ACF NETWORK REACH

Branch	# of offices	# of loans
Almaty Regional	5	4,509
Karaganda	5	1,425
Saryagash	8	6,813
Semei	7	4,397
Shymkent	9	6,151
Taldykorgan	7	2,365
Taraz	10	9,568
TOTAL	51	35,228



ACTIVE IN 6 OF 14 REGIONS

KEY FINANCIAL INDICATORS

<i>(in billions of KZT)</i>	2019	2020	2021
Total Assets	7,595	8,943	14,302
Gross Loan Portfolio	6,758	8,381	12,239
Total Liabilities	5,937	6,703	11,544
Total Equity	1,658	2,240	2,759
Net Income	383	370	518
ROE	26.1%	19.0%	20.7%
ROA	5.7%	4.5%	4.5%

KEY OPERATIONAL INDICATORS

	2019	2020	2021
Number of Offices	51	50	51
Number of Active Loans	29,723	28,863	35,228
Portfolio at Risk >30 days	2.9%	3.6%	2.7%
Number of Staff	375	378	333
Number of Field Staff	166	139	152



ACF SOCIAL PERFORMANCE

OUTREACH

Active borrowers

30,191

Loan portfolio

12.5 billion tenge

Business loans disbursed

93%

Average disbursed loan amount

448,997 tenge

PAR>30 days

2.7%

SOCIAL GOALS

- Rural households
- Meet client needs
- Create change

GENDER

Women in management
and total ACF staff

64%

WOMEN FINANCIAL INCLUSION

Women borrowers

69%

Active loan portfolio

65.8%

Disbursed to women in 2021

10.8 billion tenge

RURAL FINANCIAL INCLUSION

Rural borrowers

92%

Rural loan portfolio

78%

Disbursed for agriculture
support in 2021

13 billion tenge



SUPERVISORY BOARD



**James
ANDERSON**

Board member and Chairperson
since June 2013

BOARD COMMITTEES: Audit and Risk Management
Committees

CURRENT POSITION: Independent Microfinance
and Banking Consultant, Ulaanbaatar, Mongolia

EDUCATION: Pace University-Lubin School of
Business. MBA, Banking and Finance



**Christian
ANDERSEN**

Board member
since September 2014

BOARD COMMITTEES: Audit Committee

CURRENT POSITION: 2011–2018—Present: Co-
founder and CEO of BOPA, Singapore; Board
Chair Alliance Microfinance, Myanmar; Board
member and Chair of Audit Committee in KIF,
Timor Leste/Timor

EDUCATION: MBA, IMD, General Management



**Don
GINSEL**

Board member
since January 2021

CURRENT POSITION: 2013–2017—Present:
Founder, Holland FinTech, The Netherlands;
President, FINTECH AERA, The Netherlands;
Co-founder, Foundation Capital Waters, The
Netherlands

EDUCATION: MSC/Ir, Civil & Coastal Engineering,
Technische Universiteit Delft; Business
Administration, Erasmus Universiteit Rotterdam



**Senad
SINANOVIC**

Board member
since March 2018

BOARD COMMITTEES: Chairperson of Risk
Management Committee

CURRENT POSITION: Sep'2000—Present: CEO,
Partner Microcredit Foundation, Bosnia and
Herzegovina

EDUCATION: Pan-european University Apeiron,
Economics



**Marco
DE NATALE**

Board member
since November 2019

BOARD COMMITTEES: Risk Management
Committee and Chairperson of Audit Committee

CURRENT POSITION: 2019—Present: Manager —
Strategic Finance, LFS Advisory GmbH, Germany

EDUCATION: MS, Management Science &
Engineering, Stanford University; BA, Economic &
Finance, Università Commerciale 'Luigi Bocconi'





KAZAKHSTAN OVERVIEW 2021 AND OUTLOOK 2022

	2021	2022
Population	19.1 mln.	19.5 mln.
Unemployment rate (official)	4.9%	5%
GDP growth	4.1%	2.1%
GDP per capita	USD 10,155	USD 11,800
Percent of population living below National Poverty Lines	5.2%	4.9%
Inflation rate	8.4%	8–10%

SUCCESS STORY

Meerim BORCHENOVA

Taraz Branch, Korday office



Asian Credit Fund client Meerim Borchanova, 32, is considered one of the most famous businesswomen in Korday. Her flower shop is known to everyone in the village. Meerim and her husband had tried, unsuccessfully, to find an occupation to their liking. They tried different businesses, including a grocery shop; they sold clothes and Meerim's husband tried home renovation. It brought income, but according to Meerim, not satisfaction.

In 2020, at the very height of the coronavirus pandemic, despite the quarantine measures, Meerim, on her mother's advice, decided to open a flower shop. Her mother is a florist and Meerim has always had creative talent. So, in 2020, Meerim and her husband rented

a small shop and started a flower business. After working for 6 months, she applied to ACF for a loan of 1 million Tenge, which she invested in expanding the shop and to purchase a life-size Teddy Bear. In no time the bear became popular throughout Korday, and both kids and adults wanted a festival bouquet and greetings personally from Teddy.

Meerim's next step was to expand the range of products in her shop: she started selling toys, cards and added a nitrogen balloon inflator. Then, with the help of a second ACF microloan, the young entrepreneurs expanded their flower shop by buying the neighbouring shop and renovating it. Now, Meerim's shop is not just a flower shop, but a flower salon,

where the customers feel comfortable and employees are excited to come to work.

The expansion of the business has allowed Meerim to provide two permanent jobs and, during the high-demand season, she employs 7 additional people. Despite being a relatively new business, Meerim has loyal customers who will come only to her for flowers.

Understanding the importance of digital tools in today's business world, Meerim has set up a page for her business on the social networking site Instagram and has launched online sales with home delivery of flowers. Due to constant investment in her business and smart expansion, Meerim has bought herself a car and now has

two cars delivering flowers to her customers every day.

Meerim is a person with a very active attitude to life. She recently took a course in floristry from the popular Kazakhstan florist Hristina Hoffman. Now her bouquets compete with the most beautiful floral compositions worldwide. Meerim is now a trendsetter in Korday village. Her competitors, who have many years in the flower business, attempt to copy Meerim's creations for their business. But this only gives her incentive to create

new floral arrangements, keeping her business as the best of the best. Meerim herself and her husband Elnur explain their success by saying that they are doing what they love. This business not only brings profit but deep satisfaction from giving joy to people through flowers. After all, a flower business is a business about happiness!

As a client of ACF, Meerim has expanded her product range, built an online sales system and acquired additional assets. The capital of her business has almost doubled.

Meerim's immediate plans include buying a large refrigerated flower storage box which will extend the shelf life of her flowers.

"To all young entrepreneurs and all those who want to start their own business, I wish you success and hope that you can find the business you like!", Meerim says. "And I wish Asian Credit Fund more good clients and thank you for the financial support which gave me the opportunity to develop my business of love."



FINANCIAL STATEMENTS

Year ended 31 December 2021,
together with independent auditor's report.



Statement of financial position

as at 31 December 2021 (in thousands of tenge)

	Notes	2021	2020
Assets			
Cash and cash equivalents	5	1,668,759	658,413
Loans to customers	6	12,239,332	7,974,124
Property and equipment		136,908	138,310
Right-of-use assets	7	75,625	37,781
Intangible assets		131,501	104,084
Other assets	8	50,348	30,129
Total assets		14,302,473	8,942,841
Liabilities			
Amounts due to credit institutions	9	11,235,834	6,513,869
Lease liabilities	7	84,927	34,540
Current corporate income tax liabilities	10	5,519	14,122
Deferred corporate income tax liabilities	10	5,597	2,263
Other liabilities	8	211,761	137,707
Total liabilities		11,543,638	6,702,501
Equity			
Charter capital	11	553,797	553,797
Retained earnings		2,205,038	1,686,543
Total equity		2,758,835	2,240,340
Total liabilities and equity		14,302,473	8,942,841

Signed and authorised for issue on behalf of the Management of the Company:

Zhakupova Zh. B.



Executive Director

Amireshova A.K.

Chief Accountant

6 June 2022

Statement of comprehensive income

as at 31 December 2021 (in thousands of tenge)

	Notes	2021	2020
Interest revenue on loans to customers		4,070,155	3,109,920
Interest revenue on amounts due from credit institutions		9,297	21,945
Interest revenue calculated using effective interest rate		4,079,452	3,131,865
Interest expense on amounts due to credit institutions		(1,819,801)	(1,206,125)
Other interest expense	7	(14,764)	(8,329)
Net interest income		2,244,887	1,917,411
Reversal of credit losses / (credit loss expense)	12	101,816	(27,582)
Net interest income after credit loss income/(expense)		2,346,703	1,889,829
Loss on modification of financial liabilities not resulting in derecognition	9	(37,578)	(44,546)
Net losses from foreign currencies:			
<i>translation differences</i>		(3,384)	(14,066)
<i>dealing</i>		(13,534)	(12,849)
Other income		27,104	11,547
Operating expenses	13	(1,635,503)	(1,355,959)
Other expenses		(5,328)	(3,015)
Profit before corporate income tax expense		678,480	470,941
Corporate income tax expense	10	(159,985)	(100,962)
Profit for the year		518,495	369,979
Other comprehensive income for the year		-	-
Total comprehensive income for the year		518,495	369,979

Statement of cash flows

for the year ended 31 December 2021 (in thousands of tenge)

	Notes	2021	2020
Cash flows from operating activities			
Profit before corporate income tax expense		678,480	470,941
<i>Adjustments for:</i>			
Depreciation and amortisation	13	122,110	125,504
Accrued interest income		(4,079,452)	(3,131,865)
Accrued interest expense		1,834,565	1,214,454
(Reversal of credit losses) / credit loss expense	12	(101,816)	27,582
Loss on modification of financial liabilities not resulting in derecognition	9	37,578	44,546
Accrued expenses on unused vacations and other payroll accruals		13,671	9,968
Unrealised losses from foreign currencies		3,384	14,066
Loss on disposal of property and equipment		461	1,394
Other expenses		10,498	1,483
Cash flows used in operating activities before changes in operating assets and liabilities		(1,480,521)	(1,221,927)
Net decrease/(increase) in operating assets			
Loans to customers		(4,128,420)	(1,245,781)
Other assets		(24,783)	(702)
Net increase/(decrease) in operating liabilities			
Other liabilities		59,991	20,102
		(5,573,733)	(2,448,308)
Interest received		4,044,416	3,138,861
Interest paid		(1,780,754)	(1,128,497)
Corporate income tax paid		(165,254)	(69,983)
Net cash used in operating activities		(3,475,325)	(507,927)

Statement of cash flows (continued)

for the year ended 31 December 2021 (in thousands of tenge)

	Notes	2021	2020
Cash flows from investing activities			
Purchase of property and equipment		(22,361)	(17,742)
Purchase of intangible assets		(41,895)	(14,509)
Net cash used in investing activities		(64,256)	(32,251)
Cash flows from financing activities			
Contribution to the charter capital	11	–	212,500
Proceeds from amounts due to credit institutions	19	7,846,552	1,436,754
Repayment of amounts due to credit institutions	19	(3,210,615)	(757,576)
Lease payments	7	(86,551)	(95,422)
Net cash from financing activities		4,549,386	796,256
Transfer to amounts due from credit institutions		–	(5,250)
Effect of exchange rates changes on cash and cash equivalents		477	(17,099)
Effect of expected credit losses on cash and cash equivalents		64	(311)
Net increase in cash and cash equivalents		1,010,346	233,418
Cash and cash equivalents, as at 1 January		658,413	424,995
Cash and cash equivalents, as at 31 December	5	1,668,759	658,413

Statement of changes in equity

for the year ended 31 December 2021 (in thousands of tenge)

	Charter capital	Retained earnings	Total equity
As at 1 January 2020	341,297	1,316,564	1,657,861
Total comprehensive income for the year	–	369,979	369,979
Contribution to the charter capital (Note 11)	212,500	–	212,500
As at 31 December 2020	553,797	1,686,543	2,240,340
Total comprehensive income for the year	–	518,495	518,495
As at 31 December 2021	553,797	2,205,038	2,758,835

1. PRINCIPAL ACTIVITIES

Microfinance organization “Asian Credit Fund” Limited Liability Company (hereinafter – the “Company”) was registered on 27 October 2005, and is carrying out its activities in the territory of the Republic of Kazakhstan. On 29 December 2014, the Company was re-registered in connection with the decision of its participants on changing the name of the Company from Microcredit organization “Asian Credit Fund” Limited Liability Company to Microfinance organization “Asian Credit Fund” Limited Liability Company as per requirement of the Law of Republic of Kazakhstan On Microfinance Organizations. The Company’s activities are supervised and regulated by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market (hereinafter – the “Agency”).

The Company’s principal activity is granting micro loans to customers. As at 31 December 2021, the Company had 7 branches and 51 outlets in the Republic of Kazakhstan (as at 31 December 2020: 7 branches and 50 outlets).

The Company’s head office is located at 60 Auezov Str., Almaty, the Republic of Kazakhstan.

The ultimate shareholder of the Company is BOPA Pte LTD. Participatory shares in the Company are distributed as follows:

Name	Ownership in %	
	2021	2020
BOPA Pte LTD	98.32	98.32
Karavella Invest LLP	1.68	1.68
	100.00	100.00

2. BASIS OF PREPARATION

General

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

The financial statements are prepared under the historical cost convention except as disclosed in accounting policies below.

The financial statements are presented in thousands of tenge (“tenge” or “KZT”), unless otherwise indicated.

Effect of COVID-19 pandemic

Due to the rapid spread of COVID-19 pandemic in 2020, which continued in 2021, many governments, including the Republic of Kazakhstan Government, have introduced various measures to combat the outbreak, including travel restrictions, quarantines, closure of business and other venues and lockdown of certain areas. These measures have affected the global supply chain, demand for goods and services, as well as the scale of business activity. It is expected that the pandemic itself as well as the related public health and social measures may continue to influence the business of entities in a wide range of industries.

Support measures were introduced by the Government and the Agency to counter the economic downturn caused by the COVID-19 pandemic. These measures include, among others, subsidised lending to affected industries and individuals, payment holidays and easing of certain regulatory restrictions to help the financial sector maintain its capabilities to provide resources and to help customers avoid liquidity shortages as a result of the COVID-19 containment measures.

The Company continues to assess the effect of the pandemic and changing economic conditions on its activities, financial position and financial results.

3. SUMMARY OF ACCOUNTING POLICIES

Changes in accounting policies

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1 January 2021. The Company has not early adopted any other standard, clarification or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (IBOR reform Phase 2)

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued;
- Entities are granted a temporary relief from complying with the requirement for separately identifiable components when an instrument with a risk-free rate is designated at the entity’s discretion as a risk component in a hedging relationship.

The amendment is not expected to have a material impact on the Company’s financial statements.

COVID-19 Related Rent Concessions effective after 30 June 2021 – Amendments to IFRS 16

On 28 May 2020, the IASB issued COVID-19-Related Rent Concessions – Amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for

rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID 19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the COVID-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.

The amendment applies to annual reporting periods beginning on or after 1 April 2021. The Company has not received COVID 19-related rent concessions but plans to apply the practical expedient if it becomes applicable within allowed period of application.

Fair value measurement

Information about fair values of financial instruments measured at amortised costs is disclosed in *Note 16*.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic

best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial assets and liabilities

Initial recognition

Date of recognition

All regular way purchases and sales of financial assets and liabilities are recognised on the trade date i.e. the date that the Company commits to purchase the asset or liability. Regular way purchases or sales are purchases or sales of financial assets and liabilities that

require delivery of assets and liabilities within the period generally established by regulation or convention in the marketplace.

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value and, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss (FVPL), transaction costs are added to, or subtracted from, this amount.

Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI);
- FVPL.

The Company classifies and measures its derivative and trading portfolio at FVPL. The Company may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVPL when they are held for trading, are derivative instruments or the fair value designation is applied.

Loans to customers at amortised cost

The Company only measures loans to customers and other financial investments at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The details of these conditions are outlined below.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company 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.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company changes the business model for managing financial assets. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets and liabilities in 2021.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current accounts, and amounts due from credit institutions that mature within ninety (90) days of the date of origination and are free from contractual encumbrances.

Repurchase and reverse repurchase agreements

Sale and repurchase agreements (“repos”) are treated as secured financing transactions. Securities sold under sale and repurchase agreements are retained in the statement of financial position and, in case the transferee has the right by contract or custom to sell or repledge them, reclassified as securities pledged under sale and repurchase agreements. The corresponding liability is presented within amounts due to credit institutions or customers. Securities purchased under agreements to resell (“reverse repo”) are recorded within cash and cash equivalents or amounts due from credit institutions or loans to customers as appropriate. The difference between sale and repurchase price is treated as interest revenue and accrued over the life of repo agreements using the effective interest method.

Securities lent to counterparties are retained in the statement of financial position. Securities borrowed are not recorded in the statement of financial position, unless these are sold to third parties. In this case the purchase and sale are recorded within gains less losses from trading securities in the statement of profit or loss. The obligation to return them is recorded at fair value as a trading liability.

Borrowings

Issued financial instruments or their components are classified as liabilities, where the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity instruments. Such instruments include amounts due to credit institutions. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the borrowings are derecognised as well as through the amortisation process.

Leases

i. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period

on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below KZT 2,100 thousand). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or 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:

- The normal course of business;
- The event of default; and
- The event of insolvency or bankruptcy of the entity and all of the counterparties.

These conditions are not generally met in master netting

agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Renegotiated loans

The Company will seek to restructure loans in cases where a borrower is unable to adhere to an agreed repayment schedule due to objective changes in circumstances, but the Company deems that the borrower is able to repay the loan in full with a modified repayment schedule. Restructuring may involve extending the payment arrangements and the agreement of new loan conditions.

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be purchased or originated credit-impaired (POCI). When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors:

- Change in currency of the loan;
- Change in counterparty;
- If the modification is such that the instrument would no longer meet the SPPI criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate, the Company records a modification gain or loss, presented within interest revenue calculated using effective interest rate in the statement of comprehensive income, to the extent that an impairment loss has not already been recorded.

For modifications not resulting in derecognition, the Company also reassesses whether there has been a significant increase in credit risk or whether the assets should be

classified as credit-impaired. Once an asset has been classified as credit-impaired as the result of modification, it will remain in Stage 3 for a minimum 6-month probation period. In order for the restructured loan to be reclassified out of Stage 3, regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period in accordance with the modified payment schedule.

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 where:

- The rights to receive cash flows from the asset have expired;
- The Company has transferred its rights to receive cash flows from the asset, or retained the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; and
- The Company either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset.

Write-off

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then

applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. A write-off constitutes a derecognition event.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where 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, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Taxation

Current corporate income tax expense is calculated in accordance with the tax legislation of the Republic of Kazakhstan.

Deferred corporate income tax assets and liabilities are calculated in respect of all temporary differences using the liability method. Deferred corporate income taxes are provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, except where the deferred corporate income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

A deferred corporate income tax asset is recorded only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred corporate income tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The Republic of Kazakhstan also has various operating taxes that are assessed on the Company’s activities. These taxes are recorded in the statement of comprehensive income within operating expenses.

Property and equipment

Property and equipment carried at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment. Such cost includes the cost of replacing part of equipment when that cost is incurred if the recognition criteria are met. Carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Depreciation of an asset begins when it is available for use. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

	Years
Computer hardware	2.5–10
Vehicles	5–10
Office furniture and equipment	2–10

Asset’s residual values, useful lives and methods are reviewed, and adjusted as appropriate, at each financial year-end.

Costs related to repairs and renewals are charged when incurred and included in the statement of comprehensive income within Operating expenses, unless they qualify for capitalisation.

Intangible assets

Intangible assets include computer software and are initially measured at cost.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated

amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic lives of 10 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made.

Retirement and other employee benefit obligations

The Company does not have any pension arrangements separate from the State pension system of the Republic of Kazakhstan, which requires current contributions by the employer calculated as a percentage of current gross salary payments; such expense is charged in the period the related salaries are earned. In addition, the Company has no significant post-retirement benefits.

Charter capital

Charter capital

Charter capital is classified as equity. Incremental costs directly attributable to the issue of additional charter capital are recognised as a deduction from equity, net of any tax effects.

Dividends

Dividends are recognised as liabilities and deducted from equity at the reporting date only if they are declared before or on the reporting date. Dividends are disclosed when they are proposed before the reporting date or proposed or declared after the reporting date but before the financial statements are authorised for issue. The ability of the Company to declare and pay dividends is subject to the rules and regulations of the Republic of Kazakhstan legislation.

Contingent assets and liabilities

Contingent liabilities are not recognised in the statement of financial position but are disclosed unless the possibility of any outflow in settlement is remote. A contingent asset is not recognised in the statement of financial position but disclosed when an inflow of economic benefits is almost certain.

Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest and similar revenue and expense

The Company calculates interest revenue on debt financial assets measured at amortised cost or at FVOCI by applying the effective interest rate to the gross carrying amount of financial assets other than credit-impaired assets. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Company revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as interest revenue or expense.

When a financial asset becomes credit-impaired, the Company calculates interest revenue by applying the effective interest rate to the net amortised cost of the

financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest revenue on a gross basis.

For POCI financial assets, the Company calculates interest revenue by calculating the credit-adjusted effective interest rate and applying that rate to the amortised cost of the asset. The credit-adjusted effective interest rate is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest revenue on all financial assets at FVPL is recognised using the contractual interest rate in "Other interest revenue" in the statement of comprehensive income.

Foreign currency translation

The financial statements are presented in tenge, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded in the functional currency at the official exchange rate established by the Kazakhstan Stock Exchange (hereinafter – the "KASE") and communicated by the National Bank of the Republic of Kazakhstan (hereinafter – the "NBRK"), at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Gains and losses resulting from the translation of foreign currency transactions are recognised in the statement of comprehensive income as net gains/(losses) from transactions in foreign currencies. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the official exchange rates at the date when the fair value was determined. Differences between the contractual exchange rate of a transaction in a foreign currency and the official exchange rate on the date of the transaction are included in net losses from foreign currencies.

The official exchange rate established by KASE as at 31 December 2021 and 2020 were KZT 431.80 and KZT 420.91 to USD 1, respectively.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. IFRS 17 introduces new accounting requirements for banking products with insurance features that may affect the determination of which instruments or which components thereof will be in the scope of IFRS 9 or IFRS 17.

Credit cards and similar products that provide insurance coverage: most issuers of these products will be able to continue with their existing accounting treatment as a financial instrument under IFRS 9. IFRS 17 excludes from its scope credit card contracts (and other similar contracts that provide credit or payment arrangements) that meet the definition of an insurance contract if, and only if, the entity does not reflect an assessment of the insurance risk associated with an individual customer in setting the price of the contract with that customer.

When the insurance coverage is provided as part of the contractual terms of the credit card, the issuer is required to:

- Separate the insurance coverage component and apply IFRS 17 to it;
- Apply other applicable standards (such as IFRS 9, IFRS 15 *Revenue from Contracts with Customers* or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*) to the other components.

Loan contracts that meet the definition of insurance but limit the compensation for insured events to the amount otherwise required to settle the policyholder's obligation created by the contract: issuers of such loans – e.g. a loan with waiver on death – have an option to apply IFRS 9 or IFRS 17. The election would be made at a portfolio level and would be irrevocable.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

The Company is currently in the process of assessing the impact of adopting IFRS 17 on its financial statements.

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

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

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

These amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Company is currently assessing the possible impact the amendments will have on current liabilities and whether existing loan agreements may require renegotiation.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements.

The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.

At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements.

These amendments are effective for annual periods beginning on or after 1 January 2022 and must be applied prospectively. These amendments are not expected to have a material impact on the Company.

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

In May 2020, the IASB issued Property, Plant and Equipment – Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property,

plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendments.

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

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

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

Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a First-Time Adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022. Early application is permitted.

IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022. Early adoption is permitted. The Company will apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the Company first applies the amendment.

The amendment is not expected to have a material impact on the Company’s financial statements.

Amendments to IAS 8 Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, which introduce the definition of “accounting estimates”. The amendments clarify the difference between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, the document explains how entities use measurement methods and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start date of the specified period. Earlier application is permitted as long as this fact is disclosed.

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

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the

Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has the option, under some of its leases to lease the assets for additional terms of three to five years. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Estimation uncertainty

In the process of applying the Company's accounting policies, management has used its judgements and made estimates in determining the amounts recognised in the financial statements. The most significant use of judgements and estimates are as follows:

Leases—estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Additional details are provided in Note 16.

Expected credit losses on financial assets

The measurement of expected credit losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of

future cash flows and collateral values when determining expected credit losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. In addition, large-scale business disruptions may give rise to liquidity issues for some entities and consumers. Deterioration in credit quality of loan portfolios (amongst other items) as a result of the COVID-19 pandemic may have a significant impact on the Company's ECL measurement. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulae and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs, such as GDP and the effect on PDs;
- Selection of forward-looking macroeconomic scenarios and their probability weightings to derive the economic inputs into the ECL models.

More details are provided in Notes 6 and 15.

Taxation

The Republic of Kazakhstan currently has a single Tax Code that regulates main taxation matters. The existing taxes include value added tax, corporate income tax, social and other taxes. Implementation

of these regulations is often unclear or non-existent and only an insignificant number of precedents have been established. Often, differing opinions regarding legal interpretation exist both among and within government ministries and organisations; thus creating uncertainties and areas of conflict. Tax declarations, together with other legal compliance areas (as examples, customs and currency control matters) are subject to review and investigation by a number of authorities, which are enabled by law to impose severe fines, penalties and forfeits. These facts create tax risks in the Republic of Kazakhstan substantially more significant than typically found in countries with more developed tax systems.

Management believes that the Company is in compliance with the tax laws of the Republic of Kazakhstan regulating its operations. However, the risk remains that relevant authorities could take differing positions with regard to interpretive tax issues.

5. CASH AND CASH EQUIVALENTS

As at 31 December, cash and cash equivalents comprise the following:

	2021	2020
Cash on hand	106	684
Current accounts with banks	1,061,415	508,555
Time deposits with banks up to 90 days	508,000	150,000
Reverse repurchase agreements up to 90 days	100,000	—
	1,669,521	659,239
Less: ECL allowance	(762)	(826)
Cash and cash equivalents	1,668,759	658,413

As at 31 December 2021, the Company entered into reverse repurchase agreements at the Kazakhstan Stock Exchange. The subject of these agreements are treasury bills of the Ministry of Finance of the Republic of Kazakhstan, the fair value of which as at 31 December 2021 was KZT 101,131 thousand.

As at 31 December 2021 and 2020 all balances of cash and cash equivalents are allocated to Stage 1 for ECL measurement purpose. An analysis of changes in the ECL allowances during the years ended 31 December are as follows:

	2021	2020
ECL allowance as at 1 January	(826)	(2,589)
Net changes in ECL (Note 12)	64	(311)
Transfer to amounts due from credit institutions	–	2,074
As at 31 December	(762)	(826)

6. LOANS TO CUSTOMERS

As at 31 December, loans to customers comprise the following:

	2021	2020
Group loans	2,205,001	2,327,440
Individual loans	10,377,743	6,041,457
Gross loans to customers	12,582,744	8,368,897
Less: ECL allowance	(343,412)	(394,773)
Loans to customers	12,239,332	7,974,124

Group loans are unsecured loans granted to groups of borrowers, who sign loan agreements with joint obligation to repay their loans.

As at 31 December 2021 and 2020 loans to customers mainly comprise loans issued to individuals.

ECL allowance of loans to customers

An analysis of changes in the gross carrying value and corresponding ECL allowance in relation to group loans during the year ended 31 December 2021 is as follows:

Group loans	Stage 1	Stage 2	Stage 3	Total
Gross carrying value as at 1 January 2021	2,123,514	69,183	134,743	2,327,440
New assets originated	2,650,206	–	–	2,650,206
Assets repaid	(2,672,387)	(32,442)	(69,585)	(2,774,414)
Net change in accrued interest	(6,293)	(716)	(5,535)	(12,544)
Transfers to Stage 1	21,847	(19,157)	(2,690)	–
Transfers to Stage 2	(62,252)	66,345	(4,093)	–
Transfers to Stage 3	(4,303)	(64,867)	69,170	–
Changes to contractual cash flows due to modifications not resulting in derecognition	(682)	(956)	(402)	(2,040)
Recoveries	–	–	24,990	24,990
Amounts written off	–	–	(8,637)	(8,637)
As at 31 December 2021	2,049,650	17,390	137,961	2,205,001

Group loans	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 January 2021	(41,457)	(20,721)	(100,593)	(162,771)
New assets originated	(53,110)	–	–	(53,110)
Assets repaid	78,088	9,505	68,987	156,580
Transfers to Stage 1	(8,731)	6,182	2,549	–
Transfers to Stage 2	956	(3,796)	2,840	–
Transfers to Stage 3	83	20,573	(20,656)	–
Impact on ECL of exposures transferred between stages and changes to models and inputs used for ECL calculations	8,334	(20,955)	(11,609)	(24,230)
Unwinding of discount	–	–	(36,821)	(36,821)
Changes to contractual cash flows due to modifications not resulting in derecognition	–	394	168	562
Recoveries	–	–	(24,990)	(24,990)
Amounts written off	–	–	8,637	8,637
As at 31 December 2021	(15,837)	(8,818)	(111,488)	(136,143)

An analysis of changes in the gross carrying value and corresponding ECL allowance in relation to individual loans during the year ended 31 December 2021 is as follows:

Individual loans	Stage 1	Stage 2	Stage 3	Total
Gross carrying value as at 1 January 2021	5,704,486	150,190	186,781	6,041,457
New assets originated	13,626,820	–	–	13,626,820
Assets repaid	(9,185,995)	(69,808)	(53,829)	(9,309,632)
Net change in accrued interest	74,190	251	(9,480)	64,961
Transfers to Stage 1	52,449	(50,827)	(1,622)	–
Transfers to Stage 2	(206,339)	210,662	(4,323)	–
Transfers to Stage 3	(3,015)	(117,887)	120,902	–
Changes to contractual cash flows due to modifications not resulting in derecognition	(658)	(3,669)	(1,540)	(5,867)
Recoveries	–	–	14,324	14,324
Amounts written off	–	–	(54,320)	(54,320)
As at 31 December 2021	10,061,938	118,912	196,893	10,377,743

<i>Individual loans</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
ECL allowance as at 1 January 2021	(75,165)	(44,687)	(112,150)	(232,002)
New assets originated	(157,258)	–	–	(157,258)
Assets repaid	191,684	21,864	39,863	253,411
Transfers to Stage 1	(18,131)	17,080	1,051	–
Transfers to Stage 2	1,979	(4,979)	3,000	–
Transfers to Stage 3	37	46,751	(46,788)	–
Impact on ECL of exposures transferred between stages and changes to models and inputs used for ECL calculations	18,583	(76,507)	(18,322)	(76,246)
Unwinding of discount	–	–	(37,213)	(37,213)
Changes to contractual cash flows due to modifications not resulting in derecognition	–	1,510	533	2,043
Recoveries	–	–	(14,324)	(14,324)
Amounts written off	–	–	54,320	54,320
As at 31 December 2021	(38,271)	(38,968)	(130,030)	(207,269)

An analysis of changes in the gross carrying value and corresponding ECL allowance in relation to group loans during the year ended 31 December 2020 is as follows:

<i>Group loans</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
Gross carrying value as at 1 January 2020	2,854,621	29,954	92,953	2,977,528
New assets originated	2,319,971	–	–	2,319,971
Assets repaid	(2,856,443)	(64,207)	(47,795)	(2,968,445)
Net change in accrued interest	(14,943)	1,504	3,263	(10,176)
Transfers to Stage 1	551,866	(522,013)	(29,853)	–
Transfers to Stage 2	(721,185)	769,754	(48,569)	–
Transfers to Stage 3	–	(145,593)	145,593	–
Changes to contractual cash flows due to modifications not resulting in derecognition	(10,373)	(216)	–	(10,589)
Recoveries	–	–	32,726	32,726
Amounts written off	–	–	(13,575)	(13,575)
As at 31 December 2020	2,123,514	69,183	134,743	2,327,440

<i>Group loans</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
ECL allowance as at 1 January 2020	(87,330)	(19,264)	(92,939)	(199,533)
New assets originated	(95,700)	–	–	(95,700)
Assets repaid	100,250	32,342	42,265	174,857
Transfers to Stage 1	(357,740)	327,887	29,853	–
Transfers to Stage 2	19,841	(68,410)	48,569	–
Transfers to Stage 3	–	93,634	(93,634)	–
Impact on ECL of exposures transferred between stages and changes to models and inputs used for ECL calculations	378,870	(386,948)	(12,413)	(20,491)
Unwinding of discount	–	–	(3,143)	(3,143)
Changes to contractual cash flows due to modifications not resulting in derecognition	352	38	–	390
Recoveries	–	–	(32,726)	(32,726)
Amounts written off	–	–	13,575	13,575
As at 31 December 2020	(41,457)	(20,721)	(100,593)	(162,771)

An analysis of changes in the gross carrying value and corresponding ECL allowance in relation to individual loans during the year ended 31 December 2020 is as follows:

<i>Individual loans</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
Gross carrying value as at 1 January 2020	4,038,938	45,640	66,458	4,151,036
New assets originated	7,312,743	–	–	7,312,743
Assets repaid	(5,289,855)	(103,563)	(25,071)	(5,418,489)
Net change in accrued interest	17,385	5,542	12,376	35,303
Transfers to Stage 1	877,031	(850,646)	(26,385)	–
Transfers to Stage 2	(1,222,233)	1,291,104	(68,871)	–
Transfers to Stage 3	(18,641)	(233,687)	252,328	–
Changes to contractual cash flows due to modifications not resulting in derecognition	(10,882)	(4,200)	(139)	(15,221)
Recoveries	–	–	15,932	15,932
Amounts written off	–	–	(39,847)	(39,847)
As at 31 December 2020	5,704,486	150,190	186,781	6,041,457

<i>Individual loans</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
ECL allowance as at 1 January 2020	(89,978)	(21,780)	(59,446)	(171,204)
New assets originated	(220,511)	–	–	(220,511)
Assets repaid	117,600	49,280	22,153	189,033
Transfers to Stage 1	(417,393)	397,568	19,825	–
Transfers to Stage 2	16,522	(67,855)	51,333	–
Transfers to Stage 3	–	85,860	(85,860)	–
Impact on ECL of exposures transferred between stages and changes to models and inputs used for ECL calculations	518,212	(488,128)	(80,434)	(50,350)
Unwinding of discount	–	–	(3,636)	(3,636)
Changes to contractual cash flows due to modifications not resulting in derecognition	383	368	–	751
Recoveries	–	–	(15,932)	(15,932)
Amounts written off	–	–	39,847	39,847
As at 31 December 2020	(75,165)	(44,687)	(112,150)	(232,002)

In 2020, weights of economic inputs were taken into account in the ECL model in order to determine the probability of default of loans to customers. As a result of changes total amount of ECL allowance increased by KZT 26,485 thousand. During 2020 the Company also introduced changes to estimation of Loss Given Default on loans to customers which previously was assessed based on expectations of recoveries from sale of collateral. As a result of ECL model validation process the Company reassessed its approach to calculation of Loss Given Default using historical information on cash recoveries in the events of default. The effect of the introduced change amounted to KZT 208,126 thousand of decrease in ECL allowance.

In 2021, there were no changes introduced in its process of estimation of expected credit losses.

Modified and restructured loans

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions

have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

As at 31 December 2020, the Company introduced certain changes in its process of estimation of expected credit losses in the context of the ongoing COVID-19 pandemic. In particular, the Company has revised indicators of significant increase in credit risk and does not automatically consider the credit risk to have significantly increased in the case of

modification of loans being part of the Government support measures. The Company also updated forward-looking information, including forecast of macroeconomic indicators and scenarios weights.

In 2021, the Company did not apply changes introduced in its process of estimation of expected credit losses arising due to the ongoing COVID-19 pandemic.

During 2021, the Company has modified the terms and conditions of certain loans, including introduction of payment holidays. The Company considered these modifications to be non-substantial. As a result, the Company recognised loss on modification of loans to customers, not resulting in derecognition in the amount of KZT 7,907 thousand, accounted within interest revenue on loans to customers of the statement of comprehensive income.

	2021	2020
Loans to customers modified during the period		
Amortised cost before modification	168,852	2,439,851
Net losses on modification of loans to customers not resulting in derecognition	7,907	25,810

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- Guarantees;
- Inventory;
- Real estate;
- Vehicles;
- Other.

Recoverability of loans mainly depends on creditworthiness of the borrower rather than on collateral. The Company's policy provides for foreclosure by selling the collateral in exceptional cases. This is supported by previous experience of obtaining and selling the collateral in the event of the borrower's inability to meet its obligations to the Company.

In absence of collateral or other credit enhancements, ECL in respect of Stage 3 loans to customers as at 31 December 2021 and 2020 would have been higher by:

	2021	2020
Group loans	–	–
Individual loans	21,352	19,421
	21,352	19,421

Concentration of loans to customers

As at 31 December 2021 and 2020, the Company has no borrowers or groups of interrelated borrowers whose loan balances exceed 10% of the Company's equity. According to the legislation of the Republic of Kazakhstan, the maximum amount of a microloan to a single borrower equals to KZT 58,340 thousand as at 31 December 2021 (as at 31 December 2020: KZT 55,560 thousand).

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Movements in right-of-use assets and lease liabilities are as follows:

	<i>Right-of-use assets</i>	<i>Lease liabilities</i>
As at 1 January 2020	106,853	110,668
Additions	10,965	10,965
Depreciation expense	(80,037)	–
Interest expense	–	8,329
Payments	–	(95,422)
As at 31 December 2020	37,781	34,540
Additions	122,174	122,174
Depreciation expense	(84,330)	–
Interest expense	–	14,764
Payments	–	(86,551)
As at 31 December 2021	75,625	84,927

Right-of-use assets are represented by the Company's right to use premises under lease agreements. The Company recognised rent expense from short-term leases of KZT 16,415 thousand for the year ended 31 December 2021 (in 2020: KZT 8,918 thousand) (*Note 13*).

8. OTHER ASSETS AND LIABILITIES

As at 31 December, other assets comprise the following:

	2021	2020
Other accounts receivable	17,351	3,332
Other financial assets	17,351	3,332
Advances paid	25,469	18,428
Inventories	4,728	2,918
Prepaid expenses	2,581	451
Prepaid taxes other than corporate income tax	67	66
Other	152	4,934
Other non-financial assets	32,997	26,797
Other assets	50,348	30,129

As at 31 December, other liabilities comprise the following:

	2021	2020
Payables to suppliers	17,449	24,578
Payables to employees	1,809	27,399
Other financial liabilities	19,258	51,977
Accrued expenses on unused vacations	48,455	34,784
Taxes payable other than corporate income tax	135,448	49,433
Other payables	8,600	1,513
Other non-financial liabilities	192,503	85,730
Other liabilities	211,761	137,707

9. AMOUNTS DUE TO CREDIT INSTITUTIONS

Amounts due to credit institutions comprise the following:

	2021	2020
Loans from investment funds	11,235,834	6,513,869
Amounts due to credit institutions	11,235,834	6,513,869

As at 31 December 2021, the Company had borrowings from 16 investment funds (as at 31 December 2020: from 13 investment funds).

During 2021 the Company renegotiated contractual terms of a number of loan agreements with investment funds, including maturity dates and interest rates. As a result of modifications of terms of the loan agreements, the Company recognised a loss of KZT 37,578 thousand (in 2020: KZT 44,546 thousand) in the statement of comprehensive income. The effect of modification will be amortised during the remaining terms of the loans.

Covenants

As at 31 December 2021 and 2020, the Company complied with all financial covenants implied by loan agreements with credit institutions.

10. TAXATION

Corporate income tax expense comprises:

	2021	2020
Current corporate income tax charge	156,651	105,647
Deferred corporate income tax charge/(benefit)—origination and reversal of temporary differences	3,334	(4,685)
Corporate income tax expense	159,985	100,962

The Republic of Kazakhstan is the only tax jurisdiction in which the Company's income is taxable. In accordance with tax legislation the applied corporate income tax rate is 20% in 2021 and 2020.

As at 31 December 2021, current corporate income tax liabilities comprised KZT 5,519 thousand (as at 31 December 2020: KZT 14,122 thousand).

The reconciliation between the corporate income tax expense in the accompanying financial statements and profit before corporate income tax multiplied by the statutory tax rate for the years ended 31 December is as follows:

	2021	2020
Profit before corporate income tax expense	678,480	470,941
Statutory corporate income tax rate	20%	20%
Theoretical corporate income tax expense at the statutory rate	135,696	94,188
Non-deductible losses from foreign currencies	7,557	2,922
Non-deductible operating expenses	16,732	3,852
Corporate income tax expense	159,985	100,962

Deferred tax assets and deferred tax liabilities

Temporary differences between the carrying amounts of assets and liabilities recorded in the financial statements and the amounts used for the purposes of calculation of taxable base, give rise to net deferred tax assets and liabilities as at 31 December 2021 and 2020. The future tax benefits will only be received in the event that there are no changes in the legislation of Kazakhstan that would adversely affect the Company's ability to utilise such benefits in future periods.

Deferred corporate income tax assets and liabilities as at 31 December and their movements for the respective years comprise:

	2019	Origination and reversal of temporary differences in profit or loss	2020	Origination and reversal of temporary differences in profit or loss	2021
Tax effect of deductible temporary differences					
Accrued expenses on unused vacations	5,507	1,450	6,957	2,734	9,691
Other taxes	653	264	917	(42)	875
Lease liabilities	22,134	(15,226)	6,908	10,077	16,985
Loans to customers	–	2,451	2,451	(2,451)	–
Amounts due to credit institutions	–	4,941	4,941	(2,128)	2,813
Deferred corporate income tax assets	28,294	(6,120)	22,174	8,190	30,364
Tax effect of taxable temporary differences					
Property and equipment and intangible assets	(13,871)	(3,249)	(17,120)	(3,716)	(20,836)
Right-of-use assets	(21,371)	14,054	(7,317)	(7,808)	(15,125)
Deferred corporate income tax liabilities	(35,242)	10,805	(24,437)	(11,524)	(35,961)
Net deferred corporate income tax assets/(liabilities)	(6,948)	4,685	(2,263)	(3,334)	(5,597)

11.EQUITY

As at 31 December 2021 the Company's paid and outstanding charter capital was equal to KZT 553,797 thousand.

On 4 November 2020, BOPA Pte LTD made additional cash contribution of KZT 212,500 thousand to the charter capital.

12.CREDIT LOSS EXPENSE

The table below shows the ECL charges on finance instruments recognised in the statement of comprehensive income for the year ended 31 December 2021:

	Notes	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents	5	64	–	–	64
Loans to customers	6	86,321	(64,189)	79,620	101,752
Credit loss expense		86,385	(64,189)	79,620	101,816

The table below shows the ECL charges on finance instruments recognised in the statement of comprehensive income for the year ended 31 December 2020:

	Notes	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents	5	(311)	–	–	(311)
Amounts due from credit institutions		–	–	(5,250)	(5,250)
Loans to customers	6	799,456	(793,048)	(28,429)	(22,021)
Credit loss expense		799,145	(793,048)	(33,679)	(27,582)

13. OPERATING EXPENSES

Operating expenses comprise the following:

	2021	2020
Salaries, bonuses and related taxes	1,062,478	870,595
Depreciation and amortisation	122,110	125,504
Professional services	140,029	115,287
Transportation	77,371	68,126
Bank fees	45,238	30,695
Business trip and representative expenses	27,030	24,203
Communication and information services	20,710	17,492
Office supplies	18,974	12,789
Rent	16,415	8,918
Advertising and marketing	16,223	9,071
Repair and maintenance	6,747	4,142
Training of personnel	3,860	1,201
Taxes other than income tax	4,555	296
Database maintenance services	26	217
Other	73,737	67,423
Operating expenses	1,635,503	1,355,959

14. COMMITMENTS AND CONTINGENCIES

Political and economic environment

The Republic of Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

Due to continuing COVID-19 pandemic, there remains uncertainty about further development of the pandemic and its duration, as well as the extent of possible economic recovery in the near term. The Government continues to take various measures, and their influence

continues to develop. Therefore, the management of the Company continuously assesses the increased risks, as well as the consequences of the pandemic and the measures taken by the government.

Legal issues

In the ordinary course of business, the Company is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations of the Company, no provision was recognised in the financial statements.

Tax contingencies

Various types of legislation and regulations are not always clearly written and their interpretation is subject to the opinions of the local tax inspectors and the Ministry of Finance of the Republic of Kazakhstan. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and profit related to reported and discovered violations of Kazakh laws, decrees and related regulations are severe. Penalties include confiscation of the amounts at issue (for currency law violations), as well as fines of generally 50% of the taxes unpaid.

The Company believes that it has paid or accrued all taxes that are applicable. Where practice concerning tax application is unclear, the Company has accrued tax liabilities based on management's best estimate. The Company's policy is to recognise provisions in the accounting period in which a loss is deemed probable and the amount is reasonably determinable.

Because of the uncertainties associated with the Kazakhstan tax system, the ultimate amount of taxes, penalties and fines, if any, may be in excess of the amount expensed to date and accrued at 31 December 2021. Although such amounts are possible and may be material, it is the opinion of the Company's management that these amounts are either not probable, not reasonably determinable, or both.

15. RISK MANAGEMENT

Management of risks is fundamental to the Company's business and is an essential element of the Company's operations. The main risks inherent to the Company's operations are:

- Credit risk;
- Operational risk;
- Liquidity risk;
- Market risk.

The Company recognises that it is essential to have efficient and effective risk management processes in place. To enable this, the Company has established a risk management framework, whose main purpose is to protect the Company from risk and allow it to achieve its performance objectives.

Credit and market risks and liquidity risk are managed and controlled through the Company's various committee system, including the Credit Committee. Both external and internal risk factors are identified and managed within the Company's organisational structure.

Risk management structure

The Company's risk management policies aim to identify, analyse and manage the risks faced by the Company, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions, products and services offered and emerging best practice.

Supervisory Board

Supervisory Board of the Company has overall responsibility for the oversight of the risk management framework, overseeing the management of key risks and reviewing its risk management policies and procedures as well as approving significantly large exposures.

Executive management

The responsibility of the Executive Management is to monitor the risk management process in the Company. Executive management ensures that the Company operates within the established risk limits. In turn, the relevant departments directly manage certain types of risks, and together with a lawyer, they constantly monitor compliance with the requirements of the current legislation.

Risk Committee

The Risk Committee has overall responsibility for developing a risk management strategy and implementing risk

principles, concepts, policies and limits. It is responsible for significant risk management issues and monitors the implementation of relevant decisions made in relation to risks.

Audit Committee

The main purpose of the Audit Committee is to assist the effective implementation of control functions over the financial and economic activities of the Company by the Supervisory Board, evaluate the adequacy of the internal control system, and monitor the effectiveness of internal and external audit activities.

Risk management

The Risk Management Unit is responsible for implementing and implementing risk management procedures to ensure an independent control process.

Internal audit

The Company's risk management processes are audited annually by the Internal Audit Department, which verifies both the adequacy of the procedures and the Company's compliance with these procedures. The Internal Audit Department discusses the results of its audits with management and submits its findings and recommendations to the Audit Committee.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers, clients or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk through the application of approved policies and procedures, including requirements for setting and meeting credit risk concentration limits, as well as through the establishment of credit committees, whose functions include active monitoring of credit risk. The Credit Policy is reviewed and approved by the Supervisory Board.

The Company's credit policy sets out:

- Procedures for review and approval loan applications;

- Methodology of borrower's creditworthiness assessment;
- Methodology of proposed collateral assessment;
- Requirements to loan documentation;
- Procedures of on-going monitoring of loans and other credit risk bearing products.

The Company continuously monitors the status of individual loans and other credit risks. In addition to analyzing individual borrowers, the Company evaluates the loan portfolio as a whole in relation to the concentration of loans and market risks.

Impairment assessment

The Company calculates ECL on a group basis according to the migration matrix adjusted for the impact of the macroeconomic factors to measure the expected cash shortfalls, discounted at the effective interest rate or its approximate value. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default (LGD)

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time.

It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has developed a policy to assess at the end of each reporting period whether there has been a significant increase in the credit risk of a financial instrument since initial recognition, by taking into account changes in the risk of default over the remaining life of the financial instrument. Based on the process described above, the Company combines its loans into the following groups:

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3:

Loans considered credit-impaired. The Company records an allowance for the LTECL.

POCI:

Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest revenue is subsequently recognised based on a credit-adjusted EIR. ECL are only recognised or released to the extent that there is a subsequent change in the lifetime expected credit losses.

Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- The Company has information about force majeure, as well as other circumstances that caused the borrower significant material damage or do not allow the borrower to continue commercial or employment activities, including information about the deprivation/suspension of a license for activities, as well as information about the absence of employment or commercial activities of the borrower;
- A high probability of bankruptcy or another kind of financial reorganization, as well as involvement in the court proceedings of the borrower, which may worsen its financial condition;
- The borrower is deceased.

By decision of the Credit Committee, the Company is entitled to use additional risk factors as signs of impairment:

- Lack of communication with the borrower;
- Court proceedings on claims of third parties, where the borrower acts as a defendant;
- Loss of collateral for a loan or the absence of duly executed collateral.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least three consecutive payments according to the last schedule approved in accordance with the restructuring. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Treasury

The Company's treasury comprise transactions with financial services institutions, banks, broker-dealers, exchanges and clearing-houses. For these relationships, the Company's credit risk department analyses publicly available information such as financial information and other external data, e.g., the external ratings.

Group and individual loans

The Company's lending includes secured and unsecured loans to individuals. The main indicator for evaluating these products is the number of overdue days.

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of

the 12mECL. For Stage 2, Stage 3 and POCI financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Loss given default

LGD levels are assessed for all asset classes of Stage 1, 2 and 3 and POCI. These LGD levels take into account the expected EAD figure compared with the amounts that are expected to be recovered or realised, including as a result of the sale of collateral.

LGD is estimated on a monthly basis by the Company's Risk Management Department. Credit risk assessment is based on the LGD model based on historical information on cash recoveries and expectations on recoveries from sale of collateral. The value of collateral is estimated by adjusting for the liquidity ratio, after which it is discounted for a period of 2 years using the initial effective rate.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company deems that the credit risk have increased significantly since initial recognition in the following cases:

- Significant changes in external market credit risk indicators for a specific loan or similar loans with the same expected maturity;
- Overdue on principal and/or interest for a period exceeding 30 calendar days;
- Significant financial difficulties of the borrower;
- Loan restructuring due to financial difficulties during the last 12 months;
- The Company has information about force majeure, as well as other circumstances that caused the borrower significant material damage or do not allow it to continue its activities, including information about the deprivation/suspension of a license for

activities, as well as information about the lack of employment or commercial activities borrower;

- High probability of bankruptcy or another kind of financial reorganization, as well as involvement in the court proceedings of the borrower, which may worsen its financial condition.

Grouping financial assets measured on a collective basis

Dependent on the factors below, the Company calculates ECLs either on a collective or on an individual basis.

The company calculates an ECL on an individual basis for financial instruments that are material and for which a significant increase in credit risk or signs of impairment has been identified. Financial instruments are material if the amount owed by the borrower or a group of related borrowers at the reporting date exceeds or is equal to the threshold of 25% of Tier 1 capital established by the Company.

For all other classes of asset, the Company calculates ECL on a collective basis. The Company groups these financial assets into homogeneous individual and group loans.

Forward-looking information and multiple economic scenarios

In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as:

- GDP;
- Oil production and gas condensates volume;
- Crude oil price, Brent;
- Refinancing rate of the NBRK;
- Inflation rate.

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The Company obtains the forward-looking information from third party sources (external rating agencies, governmental bodies e.g., NBRK, and international financial institutions). Experts of the Company's Credit Risk Department determine the weights attributable to the multiple scenarios. The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations (optimistic, base and pessimistic scenarios with the probabilities 10%, 80% and 10% accordingly):

Key drivers	2022
GDP by production method, % to prior year	103.9
Oil production and gas condensates volume, million tons	85.7
Crude oil price, Brent, USD per barrel	90.0
Refinancing rate of the NBRK	14.0
Inflation rate at the end of the period, %	8.4

Grace period and concessional financing Support for individuals, small- and medium-sized businesses following imposition of the state of emergency

In accordance with the Order of the Chairman of the Agency No. 167 dated 26 March 2020 On Approval of the Procedure for Suspension of Payments of Principal Amounts and Interest on Loans to Customers, Small- and Medium-sized Businesses Affected by Imposition of the State of Emergency (taking into account amendments and additions No. 193 dated 17 April 2020 and No. 223 dated 26 May 2020), the grace period for repayment of the principal and interest under microcredit agreements was provided for payments for the period from 16 March 2020 to 15 June 2020, with the allocation of deferred payments for future periods.

In accordance with the Order of the Chairman of the Agency No. 251 dated 15 June 2020 On Additional Measures to Support Small- and Medium-sized Businesses (subject to amendments and additions No. 311 dated 3 August 2020), the grace period for repayment

of the principal amount under microcredit agreements was provided for payments falling for the period from 15 June 2020 to 1 October 2020 (but not less than 3 months, unless otherwise specified in the borrower's application), the grace period for repayment of interest under microcredit agreements was provided for payments falling for the period from 15 June 2020 to 1 October 2020, with the allocation of deferred payments for future periods.

Payments of principal and interest during grace periods from 16 March 2020 to 15 June 2020 (inclusive) and from 15 June 2020 to 1 October 2020 (inclusive) were deferred as follows:

- On unsecured loans to individual borrowers, the interest accrued on the outstanding balance during the grace period was spread until the end of the term of the contract. To maintain the debt burden and prevent an increase in the monthly payment, the loan term was extended for the corresponding period;
- For secured loans to individuals, the interest accrued on the outstanding balance within the grace period was spread until the end of the term of the contract. To maintain the debt burden and prevent an increase in the monthly payment, the loan term was extended for the corresponding period;
- On overdue loans as at 16 March 2020, the amount of overdue principal, overdue interest and interest accrued on overdue principal were spread until the end of the loan term. The decision to grant deferral on loans with overdue for more than 90 days to borrowers who are not socially vulnerable, recipients of targeted social aid, registered unemployed, was made by the authorised body of the Company individually for each loan.

The Company did not charge any commissions or other fees for consideration of the application for granting a grace period.

The Company did not charge any commissions or other fees for consideration of the application for granting a grace period.

The grace period was granted on the basis of the borrower's application (in any form containing the reason for the suspension of payments) and submitted to the Company by any available means in the period from 16 March 2020 to 1 October 2020 (inclusive). At that, it was not required to receive an application from borrowers belonging to socially vulnerable segments of the population, recipients of targeted social aid, and registered unemployed, but with the information and consent of the borrower in accessible ways, without the requirement of supporting documents.

Granting of the grace period was carried out:

- Without receiving and attaching conclusions of expert units to the credit files;
- Without signing additional agreements with borrowers and without applying commission and other fees to borrowers. Additional agreements with a new repayment schedule were signed with borrowers after cancellation of the emergency when the borrower applied to the Company's branch.

The table below shows the number of client accounts that are subject to the government programs as at 31 December 2020:

	Group loans	Individual loans	Total
Grace period			
Number of pending applications	-	-	-
Number of approved applications	2,269	2,918	5,187

The table below shows the gross carrying amount and the corresponding ECL by Stages for loans to customers that are subject to grace periods provided under the government programs as at 31 December 2020:

Grace period	Stage 1	Stage 2	Stage 3	Total
Group loans				
Gross carrying value	1,016,249	46,758	34,122	1,097,129
ECL allowance	(24,944)	(14,305)	(26,275)	(65,524)
Individual loans				
Gross carrying value	984,186	48,451	51,381	1,084,018
ECL allowance	(14,698)	(14,416)	(41,105)	(70,219)
Total				
Gross carrying value	2,000,435	95,209	85,503	2,181,147
ECL allowance	(39,642)	(28,721)	(67,380)	(135,743)

The carrying amount of components of the statement of financial position, including derivatives, without the influence of risk mitigation through the use of master netting agreements and collateral agreements, most accurately reflects the maximum credit exposure on these components.

Where financial instruments are recorded at fair value, their carrying amounts represent the current credit risk exposure but not the maximum risk exposure that could

arise in the future as a result of changes in values.

For more detail on the maximum exposure to credit risk for each class of financial instrument, references shall be made to the specific notes.

As at 31 December 2021, the above government support programs have been completed.

The geographical concentration of the Company's financial assets and liabilities is set out below:

	2021			2020		
	Kazakhstan	OECD	Total	Kazakhstan	OECD	Total
Assets						
Cash and cash equivalents	1,668,759	-	1,668,759	658,413	-	658,413
Loans to customers	12,239,332	-	12,239,332	7,974,124	-	7,974,124
Other financial assets	17,351	-	17,351	3,332	-	3,332
	13,925,442	-	13,925,442	8,635,869	-	8,635,869
Liabilities						
Amounts due to credit institutions	-	11,235,834	11,235,834	-	6,513,869	6,513,869
Lease liabilities	84,927	-	84,927	34,540	-	34,540
Other financial liabilities	12,714	6,544	19,258	37,473	14,504	51,977
	97,641	11,242,378	11,340,019	72,013	6,528,373	6,600,386
Net assets/(liabilities)	13,827,801	(11,242,378)	2,585,423	8,563,856	(6,528,373)	2,035,483

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources. Management manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Company maintains liquidity management with the objective of ensuring that funds will be available at all times to honour all cash flow obligations as they become due. Liquidity management policy is reviewed and approved by the Management.

The Company seeks to actively support a diversified and stable funding base comprising long-term and short-term loans from other banks, as well as diversified portfolios of highly liquid assets, in order to be

able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management policy requires:

- Projecting cash flows by major currencies and considering the level of liquid assets necessary in relation thereto;
- Maintaining a diverse range of funding sources;
- Managing the concentration and profile of debts;
- Maintaining debt financing plans;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any interruption to cash flow;
- Maintaining liquidity and funding contingency plans;
- Monitoring liquidity ratios in accordance with regulatory requirements.

Analysis of financial liabilities by remaining contractual maturities

The tables below summarise the maturity profile of the Company's financial liabilities at 31 December based on contractual undiscounted repayment obligations:

	On demand and less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 5 years	Total
As at 31 December 2021						
Financial liabilities						
Amounts due to credit institutions	26,486	350,793	2,156,502	3,232,865	8,039,236	13,805,882
Lease liabilities	6,372	18,640	17,728	32,766	18,694	94,200
Other financial liabilities	1,809	17,449	–	–	–	19,258
Total liabilities	34,667	386,882	2,174,230	3,265,631	8,057,930	13,919,340
As at 31 December 2020						
Financial liabilities						
Amounts due to credit institutions	604,056	260,723	1,375,747	2,334,788	3,203,802	7,779,116
Lease liabilities	4,538	8,112	10,122	15,477	1,021	39,270
Other financial liabilities	27,399	24,578	–	–	–	51,977
Total liabilities	635,993	293,413	1,385,869	2,350,265	3,204,823	7,870,363

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchanges, and equity prices. The market risk for the trading portfolio is monitored using sensitivity analysis. Except for the concentrations within foreign currency, the Company has no significant concentration of market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. As at 31 December 2021 and 2020, the Company had no non-trading financial assets and financial liabilities with floating interest rate.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The tables below indicate the currencies to which the Company had significant exposure at 31 December on its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against tenge, with all other variables held constant on the income statement (due to the fair value of currency sensitive non-trading monetary assets and liabilities). The effect on equity does not differ from the effect on the statement of comprehensive income. The negative amount in the table reflects a potential net reduction in statement of comprehensive income or equity, while a positive amount reflects a net potential increase.

Currency	2021		2020	
	Change in currency rates in %	Effect on profit before tax	Change in currency rates in %	Effect on profit before tax
US dollar	13.00%	56,861	14.00%	40,876
	-10.00%	(43,740)	-11.00%	(32,117)
Euro	13.00%	6,903	14.00%	4,932
	-10.00%	(5,310)	-11.00%	(3,875)

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools to manage the risks. Controls include effective segregation of duties, access rights, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

16. FAIR VALUE MEASUREMENTS

The estimate of fair value is intended to approximate the amount for which a financial instrument can be exchanged between knowledgeable, willing parties in an arm's length transaction. However, considering the uncertainties and the use of judgements, the fair value should not be interpreted as realisable within the framework of an immediate sale of assets or the transfer of liabilities.

The estimated fair values of financial assets and liabilities are calculated using discounted cash flow techniques

based on estimated future cash flows and discount rates for similar instruments at the reporting date.

Fair value hierarchy

For the purpose of disclosing the fair values, the Company determined classes of assets and liabilities based on the assets and liabilities nature, characteristics and risks as well as the hierarchy of fair value sources.

	Date of valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant non-observable inputs (Level 3)	
As at 31 December 2021					
Assets for which fair values are disclosed					
Cash and cash equivalents	31 Dec. 2021	106	1,668,653	–	1,668,759
Loans to customers	31 Dec. 2021	–	–	12,338,840	12,338,840
Other financial assets	31 Dec. 2021	–	–	17,351	17,351
Liabilities for which fair values are disclosed					
Amounts due to credit institutions	31 Dec. 2021	–	11,413,359	–	11,413,359
Lease liabilities	31 Dec. 2021	–	–	84,927	84,927
Other financial liabilities	31 Dec. 2021	–	–	19,258	19,258
As at 31 December 2020					
Assets for which fair values are disclosed					
Cash and cash equivalents	31 Dec. 2020	684	657,729	–	658,413
Loans to customers	31 Dec. 2020	–	–	7,920,073	7,920,073
Other financial assets	31 Dec. 2020	–	–	3,332	3,332
Liabilities for which fair values are disclosed					
Amounts due to credit institutions	31 Dec. 2020	–	6,571,653	–	6,571,653
Lease liabilities	31 Dec. 2020	–	–	34,540	34,540
Other financial liabilities	31 Dec. 2020	–	–	51,977	51,977

During 2021 and 2020, there were no transfers between levels of the fair value hierarchy.

Fair value of financial assets and liabilities not carried at fair value

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the statement of financial position. The table does not include the fair values of non-financial assets and non-financial liabilities.

	2021			2020		
	Carrying value	Fair value	Unrecognised gain/(loss)	Carrying value	Fair value	Unrecognised gain/(loss)
Financial assets						
Cash and cash equivalents	1,668,759	1,668,759	–	658,413	658,413	–
Loans to customers	12,239,332	12,338,840	99,508	7,974,124	7,920,073	(54,051)
Other financial assets	17,351	17,351	–	3,332	3,332	–
Financial liabilities						
Amounts due to credit institutions	11,235,834	11,413,359	(177,525)	6,513,869	6,571,653	(57,784)
Lease liabilities	84,927	84,927	–	34,540	34,540	–
Other financial liabilities	19,258	19,258	–	51,977	51,977	–
Total unrecognised change in fair value			(78,017)			(111,835)

Methods of measurement and assumptions

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not recorded at fair value in these financial statements.

Assets and liabilities for which fair value approximates to carrying value

For financial assets and financial liabilities that are liquid or having a short term maturity (less than three months) it is assumed that the carrying amounts approximate to

their fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Financial assets and financial liabilities carried at amortised cost

The fair value of unquoted instruments, including loans to customers, amounts due to credit institutions, other financial assets and lease liabilities is estimated by discounting future cash flows using rates as at measurement date for debt on similar terms, credit risk and remaining maturities.

17. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled. For the Company's contractual undiscounted repayment obligations refer to Note 15.

	2021			2020		
	Within one year	More than one year	Total	Within one year	More than one year	Total
Cash and cash equivalents	1,668,759	–	1,668,759	658,413	–	658,413
Loans to customers	4,075,145	8,164,187	12,239,332	3,780,804	4,193,320	7,974,124
Property and equipment	–	136,908	136,908	–	138,310	138,310
Right-of-use assets	–	75,625	75,625	–	37,781	37,781
Intangible assets	–	131,501	131,501	–	104,084	104,084
Other assets	50,348	–	50,348	25,923	4,206	30,129
Total assets	5,794,252	8,508,221	14,302,473	4,465,140	4,477,701	8,942,841
Amounts due to credit institutions	4,805,419	6,430,415	11,235,834	3,825,095	2,688,774	6,513,869
Lease liabilities	67,523	17,404	84,927	33,539	1,001	34,540
Current corporate income tax liabilities	5,519	–	5,519	14,122	–	14,122
Deferred corporate income tax liabilities	–	5,597	5,597	–	2,263	2,263
Other liabilities	211,761	–	211,761	137,707	–	137,707
Total liabilities	5,090,222	6,453,416	11,543,638	4,010,463	2,692,038	6,702,501
Net position	704,030	2,054,805	2,758,835	454,677	1,785,663	2,240,340

18. RELATED PARTY DISCLOSURES

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 financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter into transactions which unrelated parties might not. Transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

Related party transactions

The balances as well as the corresponding gain or loss on transactions with other related parties are as follows:

	Participants	
	2021	2020
Statement of comprehensive income		
Interest expense on amounts due to credit institutions	–	11,125
Operating expenses	6,047	10,289

Transactions with members of key management personnel

Compensation of 7 members of the key management personnel comprise the following:

	2021	2020
Salaries and other short-term benefits	98,060	97,993
Social security costs	8,982	9,080
Total the key management personnel compensation	107,042	107,073

19. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of movements of liabilities to cash flows arising from financing activities during the years ended 31 December 2021 and 2020 is as follows:

Liabilities	Amounts due to credit institutions
Carrying amount as at 1 January 2020	5,711,615
Proceeds	1,436,754
Repayment	(757,576)
Foreign currency translation	(5,548)
Loss on modification of financial liabilities not resulting in derecognition (Note 9)	44,546
Other	84,078
Carrying amount as at 31 December 2020	6,513,869
Proceeds	7,846,552
Repayment	(3,210,615)
Foreign currency translation	(1,095)
Loss on modification of financial liabilities not resulting in derecognition (Note 9)	37,578
Other	49,545
Carrying amount as at 31 December 2021	11,235,834

“Other” mainly represents the effect of accrued, but not yet paid interest on amounts due to credit institutions. The Company classifies interest paid as cash flows from operating activities.

20. CAPITAL ADEQUACY

In accordance with the Law of the Republic of Kazakhstan On Microcredit Organisations dated 26 November 2012, the Company is obliged to have the charter capital paid in the amount not less than 30,000 times the monthly calculation index (hereinafter—"MCI") equal to 2,917 tenge as at 31 December 2021 (as at 31 December 2020: 2,778 tenge).

The Company maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Company's capital is monitored using, among other measures, the ratios established by the NBRK in supervising the Company.

As at 31 December 2021 and 2020, the Company had complied in full with all its externally imposed capital requirements.

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements and that the Company maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise profit for participants.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. The Agency requires microfinance organisations to maintain a Tier 1 capital adequacy ratio in the amount

of not less than 10% of the assets, the total maximum risk factor per a single borrower in the amount of not more than 25% of equity, calculated in accordance with the requirements of the Agency, and the overall rate of maximum limit of total liabilities in the amount of not exceeding 10 times of equity. As at 31 December 2021 and 2020, the Company's capital adequacy ratio based on the Agency methodology exceeded the statutory minimum.

The Company's capital adequacy ratio, computed in accordance with the Agency requirements as at 31 December, comprise:

	2021	2020
Tier 1 capital	2,758,835	2,240,340
Total assets	14,302,473	8,942,841
Tier 1 capital ratio	0.19	0.25
Tier 1 capital	2,758,835	2,240,340
Total amount due from a single borrower	29,539	37,589
Maximum exposure per single borrower to Tier 1 capital	0.01	0.02
Tier 1 capital	2,758,835	2,240,340
Total liabilities of a microfinance organisation	11,543,638	6,702,501
Maximum exposure of total liabilities to Tier 1 capital	4.18	2.98

21. SUBSEQUENT EVENTS

On 2 January 2022 protests started in Mangystau region of Kazakhstan related to significant increase in the liquefied natural gas retail price. These protests spread to other cities and resulted in riots, damage to property and loss of life. On 5 January 2022 the government declared a state of emergency.

As a result of the above protests and state of emergency the President of Kazakhstan has made certain public announcements regarding possible measures including amendments to the tax legislation, introducing measures for financial stability, controlling, and stabilising the inflation rate and the tenge exchange rate.

On 19 January 2022 the state of emergency was lifted in all regions. The Company is currently unable to quantify what the impact, if any, may be on the Company's financial position of any new measures the government may take or any impact from the effect on the Kazakhstan economy as a result of the above protests and state of emergency.

In February 2022, due to the conflict between the Russian Federation and Ukraine, numerous sanctions were announced against the Russian Federation by the US, EU, and UK. These sanctions aim to have a negative economic impact on the Russian Federation.

Due to the growth of geopolitical tensions, there has been a significant growth in volatility in the stock and

currency markets, as well as a significant volatility of the tenge against the US dollar and euro since February 2022. On 25 April 2022, the Monetary Policy Committee of the National Bank of Kazakhstan made an extraordinary decision to raise the base rate to 14% per annum with an interest band of +/-1%.

The Company considers these events as non-adjusting events after the reporting period, the quantitative effect of which cannot be reliably measured at the moment.

The Management of the Company is currently assessing the degree of impact of micro- and macroeconomic conditions on the Company's financial position and results of its operations.





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ОБРАЩЕНИЕ ИСПОЛНИТЕЛЬНОГО ДИРЕКТОРА

Уважаемые клиенты и партнеры,

Я рада вам представить годовой отчет ТОО «Микрофинансовая организация «Азиатский Кредитный Фонд» (АКФ, компания) за 2021 год.

В 2021 АКФ приступил к реализации нового 3-летнего стратегического плана под общим лозунгом «Достижение выдающихся бизнес и социальных результатов, высокой удовлетворённости клиентов и сотрудников путем предоставления инновационных, но традиционных услуг микрофинансирования». Одной из стратегий компании являлась цифровая трансформация, как возможность для улучшения взаимодействия с клиентами компании, повышения производительности труда и развития бизнеса.

Предпосылками для выбора такой стратегии стала готовность целевого клиента АКФ — сельского жителя к взаимодействию/сотрудничеству в онлайн режиме. Так, согласно отчету «Цифровой 2021: Казахстан» проникновение интернета в Казахстане составило 81,9%, 63,5% населения Казахстана на начало 2021 года были активными пользователями социальных сетей (72,3% на январь 2022), причем большинство из них использовали мобильные телефоны для взаимодействия через социальные сети и поиска информации. Благодаря государственной программе «Цифровой Казахстан» и проекту по



сокращению разрыва цифрового неравенства между городским и сельским населением «250+», скорость загрузки мобильного широкополосного интернета в Казахстане выросла на 48% за год (до 18 Мбит/с), что является лучшим показателем среди стран Центральной Азии. Теперь большинство сельчан имеют равный доступ к современным средствам коммуникаций.

Практика использования наличных денежных средств значительно снижается. Рынок платежных карт в Казахстане стал более доступным и все больше Казахстанцев переходят на безналичные платежи. Так, за последние два года количество карт в обращении растет в среднем на 35,7% в год. Наши клиенты привыкли проводить онлайн множество самых различных платежей, включая получение и погашение микрокредитов, сокращая свои временные и финансовые затраты. Все это послужило основой для цифровой трансформации АКФ.

Итоги деятельности за 2021 год соответствовали принятой стратегии цифровизации и обозначенным приоритетам работы. Так, в 2021 году мы:

- начали работу по разработке WhatsApp чат-бота в качестве средства коммуникации с нашими текущими и потенциальными клиентами;
- автоматизировали перевод денег на банковский счет клиента;
- расширили список путей осуществления платежей заемщиками нашим платежным партнером «Касса 24» по приему платежей через терминалы;
- внедрили новый модуль в базу данных, который расширяет возможности системы для взаимодействия с третьими сторонами;
- и многое-многое другое, что будет являться основой для онлайн выдач.

В рамках стратегии охвата финансовыми услугами сельского населения и удовлетворения потребностей наших клиентов за 2021 год мы выдали более 16.3 млрд тенге и завершили год с кредитным портфелем в размере 12,5 млрд тенге, показав 50% рост кредитного портфеля. Количество активных заемщиков составило 30 191, при этом по-прежнему АКФ сохраняет свою целевую аудиторию: 92% клиентов являются жителями сел, и 69% — женщины. АКФ по-прежнему входит в десятку крупнейших МФО Казахстана по размеру активов и кредитного портфеля.

Каждый год АКФ внедряет различные изменения в операционную деятельность для того, чтобы дать возможность сельчанам развить свой бизнес или

воплотить свои самые смелые мечты в реальность. Так, в 2021 году АКФ:

- разработал и протестировал собственную скоринговую систему;
- запустил новый кредитный продукт «кредитная линия»;
- проводил целенаправленные акции со снижением процентных ставок, направленные на поддержку малого и среднего бизнеса, и различные другие акции, направленные на расширение доступа сельского населения к финансированию;
- снизил количество страниц в договорах клиентов с 27 до 7.

Для удобства наших клиентов в 2021 году было открыто два новых офиса в Туркестанской области, и на конец 2021 года АКФ предоставлял свои услуги через 7 филиалов и 51 офис, расположенных в сельских регионах Казахстана.

В 2022 году Компании исполняется 25 лет. За время существования АКФ стал одним из лидеров в предоставлении доступа к финансовым услугам для сельского населения Казахстана. В 2022 году мы продолжим создавать все необходимые условия для того, чтобы охватить доступным финансированием сельские домохозяйства и МСБ Казахстана.

В заключении я хотела бы поблагодарить сотрудников Компании за преданность, упорный труд и профессионализм, которые позволили достичь высоких результатов в 2021 году, а также клиентов за оказанное нам доверие.

Спасибо за то, что выбираете АКФ! И до встречи в 2022 году!

Жанна Жакупова
Исполнительный директор
АКФ

О КОМПАНИИ

ЛИЦЕНЗИЯ

Лицензия на осуществление микрофинансовой деятельности № 02.21.0008.М от 04.03.2021 г., выданная Агентством Республики Казахстан по регулированию и развитию финансового рынка.

МИССИЯ

Стать лидирующей организацией развития в микрофинансовом секторе Казахстана, предоставляющей домохозяйствам финансовые услуги и услуги по развитию с целью улучшения качества их жизни.

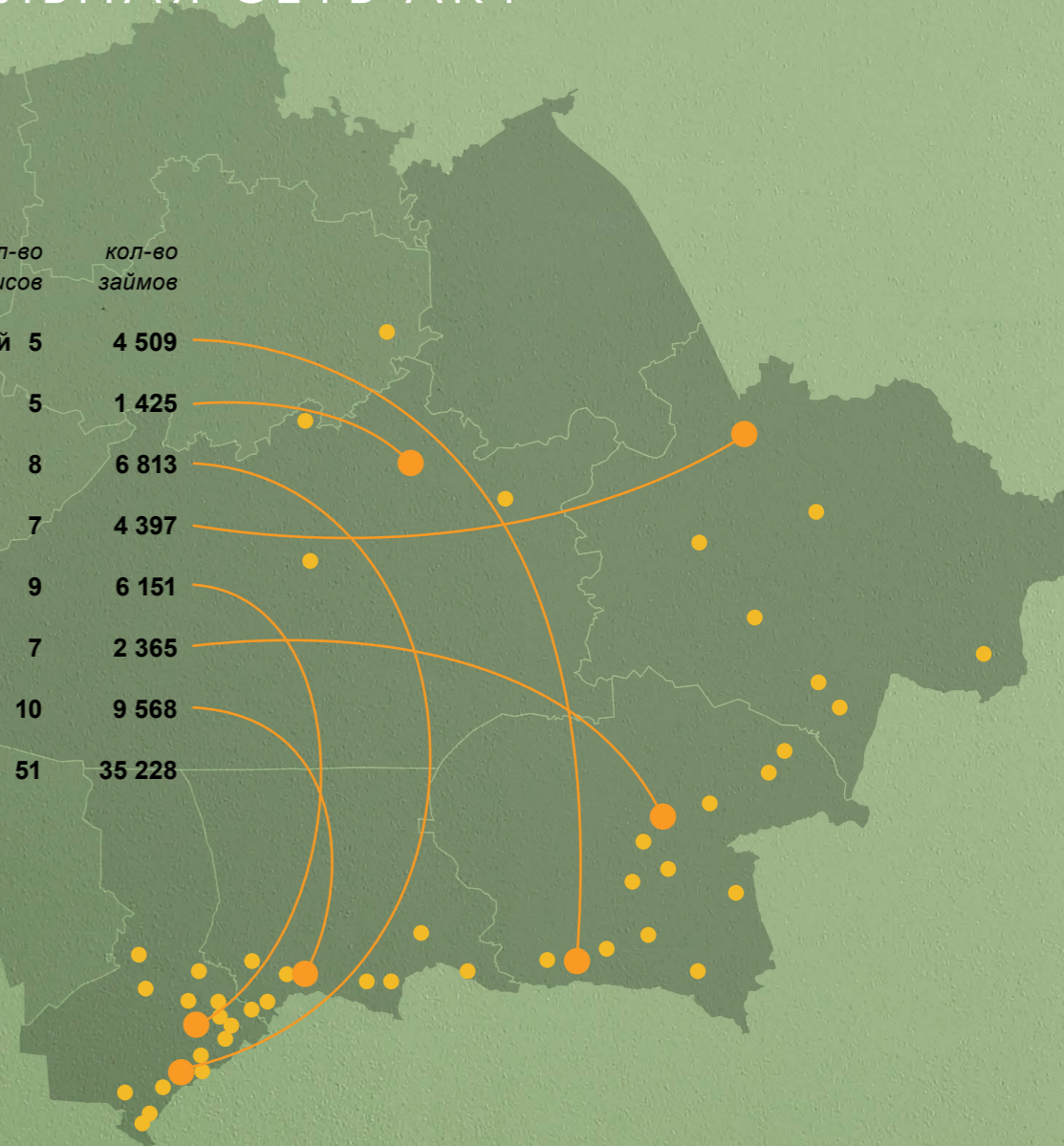
ВИДЕНИЕ

Мы поддерживаем устойчивое развитие сельских домохозяйств для построения активного гражданского общества.



РЕГИОНАЛЬНАЯ СЕТЬ АКФ

Филиал	кол-во офисов	кол-во займов
Алматинский областной	5	4 509
Карагандинский	5	1 425
Сарыагашский	8	6 813
Семипалатинский	7	4 397
Шымкентский	9	6 151
Талдыкорганский	7	2 365
Таразский	10	9 568
ИТОГО	51	35 228



ПОКРЫТИЕ 6 ИЗ 14 ОБЛАСТЕЙ

КЛЮЧЕВЫЕ ФИНАНСОВЫЕ ПОКАЗАТЕЛИ

<i>(в миллионах тенге)</i>	2019	2020	2021
Итого активы	7 595	8 943	14 302
Кредитный портфель (гросс)	6 758	8 381	12 239
Итого обязательства	5 937	6 703	11 544
Итого капитал	1 658	2 240	2 759
Чистая прибыль	383	370	518
ROE	26,1%	19,0%	20,7%
ROA	5,7%	4,5%	4,5%

КЛЮЧЕВЫЕ ОПЕРАЦИОННЫЕ ПОКАЗАТЕЛИ

	2019	2020	2021
Количество офисов	51	50	51
Количество активных займов	29 723	28 863	35 228
Портфель в риске > 30 дней	2,9%	3,6%	2,7%
Количество персонала	375	378	333
Количество кредитного персонала	166	139	152



КЛЮЧЕВЫЕ СОЦИАЛЬНЫЕ ПОКАЗАТЕЛИ

ОХВАТ ФИНАНСОВЫМИ УСЛУГАМИ

Количество активных клиентов

30 191

Кредитный портфель

12,5 млрд тенге

Концентрация выданных на предпринимательские цели

93%

Средняя сумма выданного микрокредита

448 997 тенге

Портфель в риске

2,7%

СОЦИАЛЬНЫЕ ЦЕЛИ

- Поддержка сельских домохозяйств
- Удовлетворение потребностей заёмщиков
- Создание условий для изменений

ГЕНДЕР

% женщин в управленческом персонале и работающих в АКФ

64%

ОХВАТ ФИНАНСОВЫМИ УСЛУГАМИ ЖЕНЩИН

Клиентов-женщин

69%

Активный портфель (женщины)

65,8%

Сумма, выданная женщинам в 2021 г.

10,8 млрд тенге

ОХВАТ ФИНАНСОВЫМИ УСЛУГАМИ СЕЛЬСКИХ РЕГИОНОВ

Клиентов из сельских регионов

92%

Активный портфель в сельском хозяйстве

78%

Выданная сумма на поддержку сельского хозяйства

13 млрд тенге



НАБЛЮДАТЕЛЬНЫЙ СОВЕТ



**Джеймс
АНДЕРСОН**

член совета и председатель
с июня 2013 г.

УЧАСТИЕ В КОМИТЕТАХ: комитет по аудиту, комитет по управлению рисками

ТЕКУЩАЯ ПОЗИЦИЯ: Независимый консультант по вопросам микрофинансирования и банковской деятельности. Улан-Батор, Монголия

ОБРАЗОВАНИЕ: Университет Пасе — Любинская школа бизнеса, США. MBA, банковское дело и финансы



**Кристиан
АНДЕРСЕН**

член совета
с сентября 2014 г.

УЧАСТИЕ В КОМИТЕТАХ: комитет по аудиту

ТЕКУЩАЯ ПОЗИЦИЯ: 2011–2018 — настоящее время; соучредитель и генеральный директор «BOPA», Сингапур; председатель совета директоров «Alliance Microfinance», Мьянма; член совета директоров и председатель комитета по аудиту «KIF», Timor Leste, Тимор

ОБРАЗОВАНИЕ: MBA, IMD, Швейцария. Общий менеджмент



**Дон
ГИНСЕЛ**

член совета
с января 2021 г.

ТЕКУЩАЯ ПОЗИЦИЯ: 2013–2017 — настоящее время — учредитель «Holland FinTech», Нидерланды; президент «FINTECH AERA», Нидерланды; соучредитель «Foundation Capital Waters», Нидерланды

ОБРАЗОВАНИЕ: Делфтский технический университет, Нидерланды. Гражданский и береговой инжинеринг MSC/Ig, Роттердамский университет Эразма, Нидерланды. Управление бизнесом



**Сенад
СИНАНОВИЧ**

член совета
с марта 2018 г.

УЧАСТИЕ В КОМИТЕТАХ: председатель комитета по управлению рисками

ТЕКУЩАЯ ПОЗИЦИЯ: 2000–настоящее время; генеральный директор «Partner Microcredit Foundation», Босния и Герцеговина

ОБРАЗОВАНИЕ: Пан-европейский университет «Apreigon», Босния и Герцеговина. Экономика



**Марко
ДЕ НАТАЛЕ**

член совета
с ноября 2019 г.

УЧАСТИЕ В КОМИТЕТАХ: председатель комитета по аудиту, комитет по управлению рисками

ТЕКУЩАЯ ПОЗИЦИЯ: 2019 — настоящее время — менеджер по стратегическим финансам «LFS Advisory GmbH», Германия

ОБРАЗОВАНИЕ: университет Стендфорд, США. Наука управления и инжинеринг; университет Боккони, Италия. Экономика и финансы





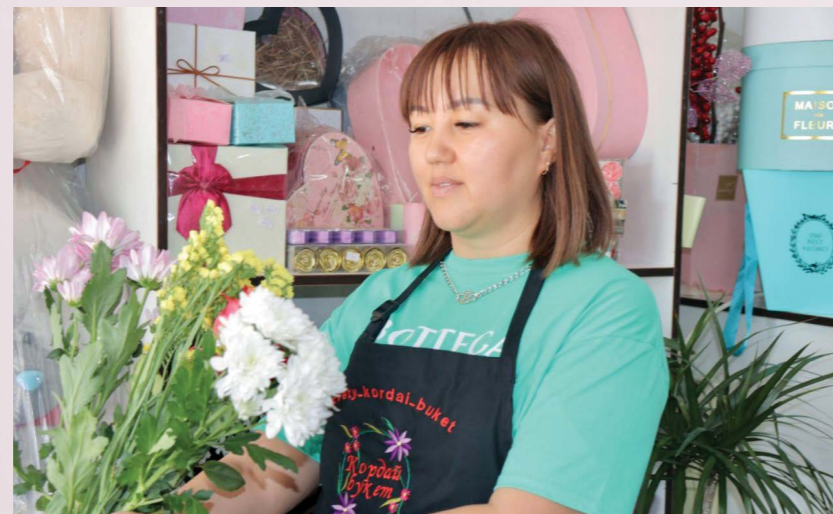
РАЗВИТИЕ КАЗАХСТАНА ЗА 2021 Г. И ПРОГНОЗ НА 2022 Г.

	2021 – 2022	
Население Казахстана	19,1 млн	19,5 млн
Уровень безработицы	4,9%	5%
Рост ВВП на душу населения	4,1% \$ 10 155	2,1% \$ 11 800
Уровень бедности	5,2%	4,9%
Уровень инфляции	8,4%	8–10%

ИСТОРИЯ УСПЕХА

Мээрим БОРЧЕНОВА

Таразский Филиал, офис Кордай



В свои 32 года клиентка Азиатского Кредитного Фонда Мээрим Борченова считается одной из самых известных бизнес-леди в Кордае. Ее цветочный магазин знает каждый житель села Кордай. Мээрим и ее супруг Эльнур в течение нескольких последних лет пытались найти себе занятие по душе, но безуспешно. Они пробовали себя в разных сферах деятельности: открывали продуктовый магазин, торговали одеждой; Эльнур занимался ремонтом жилья. Это приносило доход, но как говорит Мээрим — это была просто работа.

В 2020 году, в самый разгар коронавирусной пандемии, несмотря на карантинные меры, Мээрим, по совету мамы, решила открыть цветочный

магазин. Ее мама — флорист, да и у самой Мээрим всегда были творческие способности. Так, в 2020 году супруги взяли в аренду небольшой бутик и начали цветочный бизнес. Проработав 6 месяцев, Мээрим обратилась в АКФ за микрокредитом в размере 1 млн тенге, который вложила в увеличение ассортимента товара, а также в приобретение ростовой куклы — мишки Тэдди. В мгновение ока мишка стал пользоваться успехом, и малыши и взрослые хотели получить праздничный букет и поздравления лично от Тэдди.

Следующим шагом Мээрим было расширение ассортимента сопутствующего товара: она стала продавать в магазине игрушки, открытки, и поставила

аппарат для надувания воздушных шаров азотом. А затем, с помощью второго микрокредита АКФ, молодые предприниматели расширили квадратуру своего цветочного магазина, выкупив соседний бутик и сделав в нем ремонт. Теперь, магазин Мээрим выгодно отличается от своих конкурентов, и уже можно его назвать не просто цветочным магазином, а салоном цветов, в котором покупателям уютно находиться, а сотрудникам — приятно работать.

Расширение ассортимента и услуг позволило Мээрим предоставить два постоянных рабочих места, а во время сезонных продаж она нанимает дополнительно 6–7 человек. Несмотря на столь короткий срок бизнеса,



от того, что они дарят радость людям. Ведь цветы — это бизнес про счастье!

За время работы с АКФ Мээрим расширила ассортимент товара,

выстроила систему оффлайн и онлайн продаж, приобрела активы. Собственный капитал ее бизнеса вырос практически в 2 раза. Теперь, в ближайших планах Мээрим купить большой бокс для хранения цветов и оборудовать его холодильным оборудованием, что позволит ей увеличить срок хранения цветов.

«Всем молодым предпринимателям и всем тем, кто хочет открыть свой бизнес, я желаю успеха и надеюсь, что вы сможете найти то дело, которое будет вам по душе!» — говорит Мээрим — «А Азиатскому Кредитному Фонду я желаю побольше хороших клиентов и благодарю за финансовую поддержку и предоставленную возможность развивать любимое дело».

у Мээрим уже появились свои постоянные клиенты, так как она приложила все силы, чтобы у людей вошло в привычку заходить за цветами именно к ней.

Понимая важность использования цифровых инструментов в современном мире, Мээрим открыла бизнес-страницу в социальной сети Instagram, и запустила онлайн продажи с доставкой цветов на дом. Благодаря постоянным вложениям в бизнес и грамотному расширению ассортимента Мээрим приобрела себе автомобиль и теперь уже два автомобиля ежедневно осуществляют доставку цветов до заказчиков.

Мээрим человек с очень активной жизненной позицией.

Недавно она прошла курс по флористике у популярного в Казахстане флориста Христины Гофман. Теперь ее букеты могут составить конкуренцию самым красивым цветочным композициям, которые вы когда-либо встречали. Мээрим можно назвать трендсеттером в с. Кордай. Конкуренты, которые имеют больший опыт в цветочном бизнесе, которые намного старше ее, заимствуют идеи Мээрим и внедряют в свой бизнес. Но это не пугает Мээрим, а наоборот, дает ей стимул развивать свой бизнес дальше, и оставаться лучшей из лучших. Мээрим и Эльнур свой успех объясняют тем, что в данный момент они занимаются своим любимым делом, тем, что не только приносит доход, но и удовлетворение

ФИНАНСОВАЯ ОТЧЕТНОСТЬ

За год, закончившийся 31 декабря 2021 года



Отчёт о финансовом положении

На 31 декабря 2021 года (в тысячах тенге)

	Прим.	2021	2020
Активы			
Денежные средства и их эквиваленты	5	1 668 759	658 413
Кредиты клиентам	6	12 239 332	7 974 124
Основные средства		136 908	138 310
Активы в форме права пользования	7	75 625	37 781
Нематериальные активы		131 501	104 084
Прочие активы	8	50 348	30 129
Итого активы		14 302 473	8 942 841
Обязательства			
Средства кредитных организаций	9	11 235 834	6 513 869
Обязательства по аренде	7	84 927	34 540
Обязательства по текущему корпоративному подоходному налогу	10	5 519	14 122
Обязательства по отложенному корпоративному подоходному налогу	10	5 597	2 263
Прочие обязательства	8	211 761	137 707
Итого обязательства		11 543 638	6 702 501
Капитал			
Уставный капитал	11	553 797	553 797
Нераспределённая прибыль		2 205 038	1 686 543
Итого капитал		2 758 835	2 240 340
Итого обязательства и капитал		14 302 473	8 942 841

Подписано и утверждено к выпуску от имени Руководства Компании:

Жакупова Ж.Б.



Исполнительный директор

Амирешова А.К.

Главный бухгалтер

6 июня 2022 года

Отчёт о совокупном доходе

На 31 декабря 2021 года (в тысячах тенге)

	Прим.	2021	2020
Процентная выручка по кредитам клиентам		4 070 155	3 109 920
Процентная выручка по средствам в кредитных организациях		9 297	21 945
Процентная выручка, рассчитанная с использованием эффективной процентной ставки		4 079 452	3 131 865
Процентные расходы по средствам кредитных организаций		(1 819 801)	(1 206 125)
Прочие процентные расходы	7	(14 764)	(8 329)
Чистый процентный доход		2 244 887	1 917 411
Доходы/(расходы) по кредитным убыткам	12	101 816	(27 582)
Чистый процентный доход после доходов/(расходов) по кредитным убыткам		2 346 703	1 889 829
Убыток в результате модификации финансовых обязательств, не приводящей к прекращению признания	9	(37 578)	(44 546)
Чистые убытки по операциям с иностранной валютой:			
<i>переоценка валютных статей</i>		(3 384)	(14 066)
<i>торговые операции</i>		(13 534)	(12 849)
Прочие доходы		27 104	11 547
Операционные расходы	13	(1 635 503)	(1 355 959)
Прочие расходы		(5 328)	(3 015)
Прибыль до расходов по корпоративному подоходному налогу		678 480	470 941
Расходы по корпоративному подоходному налогу	10	(159 985)	(100 962)
Прибыль за год		518 495	369 979
Прочий совокупный доход за год		–	–
Итого совокупный доход за год		518 495	369 979

Отчёт о движении денежных средств

На 31 декабря 2021 года (в тысячах тенге)

	Прим.	2021	2020
Денежные потоки от операционной деятельности			
Прибыль до расходов по корпоративному подоходному налогу		678 480	470 941
<i>Корректировки:</i>			
Износ и амортизация	13	122 110	125 504
Процентная выручка		(4 079 452)	(3 131 865)
Процентные расходы		1 834 565	1 214 454
(Доходы)/расходы по кредитным убыткам	12	(101 816)	27 582
Убыток в результате модификации финансовых обязательств, не приводящей к прекращению признания	9	37 578	44 546
Расходы по неиспользованным отпускам и прочие начисления по фонду заработной платы		13 671	9 968
Нереализованные убытки по операциям с иностранной валютой		3 384	14 066
Убыток от выбытия основных средств		461	1 394
Прочие расходы		10 498	1 483
Денежные потоки от операционной деятельности до изменений в операционных активах и обязательствах		(1 480 521)	(1 221 927)
Чистое (увеличение)/уменьшение в операционных активах			
Кредиты клиентам		(4 128 420)	(1 245 781)
Прочие активы		(24 783)	(702)
Чистое уменьшение в операционных обязательствах			
Прочие обязательства		59 991	20 102
		(5 573 733)	(2 448 308)
Проценты полученные		4 044 416	3 138 861
Проценты уплаченные		(1 780 754)	(1 128 497)
Корпоративный подоходный налог уплаченный		(165 254)	(69 983)
Чистое расходование денежных средств в операционной деятельности		(3 475 325)	(507 927)

Отчёт о движении денежных средств (продолжение)

На 31 декабря 2021 года (в тысячах тенге)

	Прим.	2021	2020
Денежные потоки от инвестиционной деятельности			
Приобретение основных средств		(22 361)	(17 742)
Приобретение нематериальных активов		(41 895)	(14 509)
Чистое расходование денежных средств в инвестиционной деятельности		(64 256)	(32 251)
Денежные потоки от финансовой деятельности			
Взнос в уставный капитал	11	–	212 500
Поступление средств от кредитных организаций	19	7 846 552	1 436 754
Погашение средств кредитных организаций	19	(3 210 615)	(757 576)
Платежи по аренде	7	(86 551)	(95 422)
Чистое поступление денежных средств от финансовой деятельности		4 549 386	796 256
Перевод в средства в кредитных организациях		–	(5 250)
Влияние изменения обменных курсов на денежные средства и их эквиваленты		477	(17 099)
Влияние ожидаемых кредитных убытков на денежные средства и их эквиваленты		64	(311)
Чистое увеличение денежных средств и их эквивалентов		1 010 346	233 418
Денежные средства и их эквиваленты, на 1 января		658 413	424 995
Денежные средства и их эквиваленты, на 31 декабря	5	1 668 759	658 413

Отчёт об изменениях в капитале

На 31 декабря 2021 года (в тысячах тенге)


	Уставный капитал	Нераспределённая прибыль	Итого капитал
На 1 января 2020 года	341 297	1 316 564	1 657 861
Итого совокупный доход за год	–	369 979	369 979
Взнос в уставный капитал (Примечание 11)	212 500	–	212 500
На 31 декабря 2020 года	553 797	1 686 543	2 240 340
Итого совокупный доход за год	–	518 495	518 495
На 31 декабря 2021 года	553 797	2 205 038	2 758 835

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