Qazaqstan Investment Corporation
Joint Stock Company

Consolidated Financial Statements for the year ended 31 December 2024

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«КПМГ Аудит» жауапкершілігі шектеулі серіктестік
Қазақстан, A25D6T5, Алматы,
Достық д-лы, 180,
+7 (727) 298 0898

KPMG Audit LLC
180 Dostyk Avenue, Almaty,
A25D6T5, Kazakhstan

Independent Auditors' Report

To the Shareholder and the Board of Directors of Qazaqstan Investment Corporation Joint Stock Company

Opinion

We have audited the consolidated financial statements of Qazaqstan Investment Corporation Joint Stock Company (referred to as the "Company") and its subsidiaries (referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the : the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Assets measured at fair value through profit or loss

Please refer to the Notes 11 and 25 in the consolidated financial statements.

Key audit matter	*How the matter was addressed in our audit*
Assets measured at fair value through profit or loss account for 65% of the Group's total assets. Fair value of these assets is measured on a regular basis and is sensitive to assumptions used with regard to significant unobservable inputs. Due to the materiality of assets measured at fair value through profit or loss and related estimation uncertainty, this area is a key audit matter.	We analysed the key aspects of the methodology and policies used by the Group to measure the fair value of assets in accordance with the IFRS Accounting Standard (IFRS) 13. To analyse the adequacy of professional judgement and assumptions used by the Group in relation to the assets measured at fair value through profit or loss, we performed the following: • We tested the reasonableness and consistency of the methods used by the Group to measure the fair value of equity and debt investments. On a sample basis we engaged our valuation specialists and financial risk management specialists to analyse the valuation methodology and assumptions used by the Group. • We confirmed the Group's ownership interest in the capital of portfolio companies and private equity portfolio funds by reconciling the Group's accounting records with the responses to the representation letters received from their management and managing partners, respectively. • We confirmed the outstanding principal debt of portfolio companies to the Group by reconciling the Group's accounting records with the responses to the representation letters received from their management. • For equity investments of the Group in portfolio companies, the fair value of which is measured with due account of options, we reconciled the calculations of discounted cash flows with the data of option agreements and recalculated the discount rates based on our own assessment of the weighted average cost of capital. • For equity investments of the Group in portfolio companies, the fair value of which is measured using DCF models, a potential change in which may have a significant impact on the

	consolidated financial statements, we compared the forecast sales volumes, prices, costs, gross margins and EBITDA margins with historical data and assessed the historical accuracy of the forecasts and reconciled them with actual results according to these financial statements. We compared assumptions used by the Group with industry, financial and economic data from publicly available sources. • For equity investments of the Group in private equity portfolio funds, we recalculated the fair value based on current data from the reports of the funds' general partners on the net asset value of the respective funds and the Group's ownership interest. We also critically assessed the assumptions used by the Group to adjust the net asset value of the respective funds. • For debt investments of the Group, we reconciled the discounted cash flow calculations with the loan agreement data and recalculated the discount rates based on our own assessment of the credit risk margin for each borrower by reference to the credit rating calculated for a particular borrower. We also assessed the accuracy and completeness of the disclosures regarding the measurement of assets at fair value through profit or loss.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

— Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

— Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

— Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is:

Sergey Lytov
Certified Auditor
of the Republic of Kazakhstan
Auditor's Qualification Certificate
No. МФ-0001870 of 20 December 2023

KPMG Audit LLC
State License to conduct audit #0000021 dated 6 December 2006 issued by the Ministry of Finance of the Republic of Kazakhstan

Sergey Dementyev
General Director of KPMG Audit LLC
acting on the basis of the Charter

28 February 2025

	Note	2024 KZT'000	2023 KZT'000*
Interest income calculated using effective interest method	5	13,029,401	12,287,407
Other interest income	5	2,119,909	1,816,072
Interest expense	5	(1,162,786)	(1,136,482)
Net interest income		**13,986,524**	**12,966,997**
Net loss on financial instruments at fair value through profit or loss	25	(7,009,435)	(20,810)
Dividend income		400,721	108,153
Net foreign exchange gain/(loss)	9	4,609,877	(88,106)
Expenses on initial recognition of loans issued at below market rate	12	(1,977,370)	(1,822,442)
Net (loss)/gain on investment financial assets		(20,190)	162,728
Income from utilisation of government grants	15	192,385	223,942
Other operating income, net		33,077	196,989
Operating income		**10,215,589**	**11,727,451**
Impairment allowance for financial assets	4	(216,932)	(548,793)
Personnel expenses	6	(1,882,931)	(1,616,614)
General and administrative expenses	7	(2,561,587)	(2,135,336)
Profit before income tax		**5,554,139**	**7,426,708**
Income tax expense	8	(2,433,816)	(3,604,081)
Profit for the year		**3,120,323**	**3,822,627**
Other comprehensive income/(loss)			
Items that are or may be reclassified subsequently to profit or loss:			
Revaluation reserve for investment financial assets:			
- Net change in fair value, net of income tax		(290,209)	41,060
Other comprehensive (loss)/income for the year ne of income tax		**(290,209)**	**41,060**
Total comprehensive income for the year		**2,830,114**	**3,863,687**

**For information regarding changes in comparative data, see Note 2(f).*

The consolidated financial statements as set out on pages 9 to 73 were approved by the management on 28 February 2025 and were signed on its behalf by:

Timur Beguliyev
Deputy Chairman of the Management Board

Raukhan Kuttybayeva
Chief Accountant

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

	Note	31 December 2024 KZT'000	31 December 2023 KZT'000*
ASSETS			
Cash and cash equivalents	10	38,928,100	68,953,306
Assets measured at fair value through profit or loss	11	207,015,453	173,272,063
- Investments in joint ventures		*66,868,426*	*64,545,153*
- Investments in associates		*38,617,149*	*31,907,356*
- Equity instruments		*48,108,727*	*56,687,825*
- Debt instruments		*53,421,151*	*20,131,729*
Loans to customers	12	23,550,256	15,991,978
Investment financial assets	13	47,854,365	8,696,596
Current tax asset		-	121,908
Property, plant and equipment and intangible assets		248,912	246,278
Other assets		30,341	29,810
Total assets		**317,627,427**	**267,311,939**
LIABILITIES			
Debt securities issued	14	50,405,943	50,155,972
Government grants	15	1,193,219	1,888,569
Current tax liability		492,431	-
Deferred tax liabilities	8	663,303	587,836
Other liabilities	16	1,192,794	1,153,904
Total liabilities		**53,947,690**	**53,786,281**
EQUITY			
Share capital	17	197,761,730	147,761,730
Revaluation reserve for investment financial assets		(390,298)	(100,089)
Retained earnings		66,308,305	65,864,017
Total equity		**263,679,737**	**213,525,658**
Total liabilities and equity		**317,627,427**	**267,311,939**

**For information regarding changes in comparative data, see Note 2(f).*

The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

	2024 KZT'000	2023 KZT'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	11,378,975	11,898,710
Interest paid	(912,213)	(961,371)
Dividends received	400,721	108,153
Personnel expenses paid	(1,569,995)	(1,471,519)
General administrative expense payments	(2,617,007)	(1,926,090)
Other receipts	93,130	295,587
(Increase)/decrease in operating assets		
Assets measured at fair value through profit or loss	(40,417,891)	(2,129,580)
Loans to customers	(7,070,735)	(12,340,449)
Increase/(decrease) in operating liabilities		
Other liabilities	(41,224)	52,007
Net cash used in operating activities before income tax	**(40,756,239)**	**(6,474,552)**
Income tax paid	(1,718,923)	(3,967,979)
Net cash flows used in operating activities	**(42,475,162)**	**(10,442,531)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment financial assets	(61,287,381)	(5,308,546)
Repayment of investment financial assets	25,149,191	607,740
Acquisition of property, plant and equipment and intangible	(69,895)	(39,087)
Net cash flow used in investing activities	**(36,208,085)**	**(4,739,893)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid (Note 17(b))	(2,676,035)	(1,775,718)
Issue of ordinary shares (Note 17(a))	50,000,000	35,000,000
Net cash flows from financing activities	**47,323,965**	**33,224,282**
Net (decrease)/increase in cash and cash equivalents	**(31,359,282)**	**18,041,858**
Cash and cash equivalents at the beginning of the year	68,953,306	50,809,859
Effect of changes in exchange rates on cash and cash equivalents	1,334,076	101,589
Cash and cash equivalents at the end of year (Note 10)	**38,928,100**	**68,953,306**

The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

KZT'000	**Share capital**	**Revaluation reserve for investment financial assets**	**Retained earnings**	**Total**
Balance at 1 January 2024	**147,761,730**	**(100,089)**	**65,864,017**	**213,525,658**
Comprehensive income				
Profit for the year	-	-	3,120,323	3,120,323
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
- Net change in fair value, net of income tax	-	*(290,209)*	-	*(290,209)*
Total comprehensive income for the year	**-**	**(290,209)**	**3,120,323**	**2,830,114**
Transactions with owners recorded directly in equity				
Dividends declared and paid (Note 17(b))	-	-	(2,676,035)	(2,676,035)
Issue of ordinary shares (Note 17(a))	50,000,000	-	-	50,000,000
Total transactions with owners for the year	**50,000,000**	**-**	**(2,676,035)**	**47,323,965**
Balance at 31 December 2024	**197,761,730**	**(390,298)**	**66,308,305**	**263,679,737**

The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

KZT'000	Share capital	Revaluation reserve for investment financial assets	Retained earnings	Total
Balance at 1 January 2023	**112,761,730**	**(141,149)**	**63,817,108**	**176,437,689**
Comprehensive income				
Profit for the year	-	-	3,822,627	3,822,627
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
- Net change in fair value, net of income tax	-	*41,060*	-	*41,060*
Total comprehensive income for the year	**-**	**41,060**	**3,822,627**	**3,863,687**
Transactions with owners recorded directly in equity				
Dividends declared and paid (Note 17(b))	-		(1,775,718)	(1,775,718)
Issue of ordinary shares (Note 17(a))	35,000,000	-	-	35,000,000
Total transactions with owners for the year	**35,000,000**	**-**	**(1,775,718)**	**33,224,282**
Balance at 31 December 2023	**147,761,730**	**(100,089)**	**65,864,017**	**213,525,658**

The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements.

1 Reporting entity

(a) Organisation and operations

These consolidated financial statements comprise the financial statements of Qazaqstan Investment Corporation Joint Stock Company (former Kazyna Capital Management Joint Stock Company) (referred to as the "Company") and financial statements of its subsidiary (together referred to as the "Group").

Kazyna Capital Management Joint Stock Company was established by the Government of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan as a joint stock company on 7 March 2007. According to the Resolution No.516 of the Committee of State Property and the Order No.630 of the Ministry of Finance of the Republic of Kazakhstan dated 25 May 2013, all shares were transferred from Sovereign Wealth Fund "Samruk-Kazyna" JSC to Baiterek National Managing Holding Joint Stock Company. The ultimate principal shareholder of the Group is the Government of the Republic of Kazakhstan.

On 10 January 2023 Kazyna Capital Management Joint Stock Company changed its name to Qazaqstan Investment Corporation Joint Stock Company in accordance with the decision of the sole shareholder (the Minutes of the Management Board of Baiterek National Managing Holding JSC No.57/22 dated 28 December 2022).

The Company's registered office is: 55A Mangilik El, Yessil district, Astana, the Republic of Kazakhstan.

The principal activities of the Group are the establishment of and participation in investment funds and investments in financial instruments.

The principal subsidiaries are as follows:

Name	**Country of incorporation**	**Principal activity**	**31 December 2024**	**31 December 2023**
Baiterek Venture Fund JSC*	Kazakhstan	Investment in private equity projects	100.00	100.00
BV Management LLP**	Kazakhstan	Investment portfolio management	100.00	100.00
Kazyna Seriktes B.V.***	The Netherlands	Investments in funds	100.00	100.00
KCM Sustainable Development Fund C.V. (Subsidiary of Kazyna Seriktes B.V.)****	The Netherlands	Investments in funds	100.00	100.00
BGlobal Ventures Ltd. Private Company*****	Kazakhstan	Organisation and holding of educational events in the areas of technology entrepreneurship and development of technologies	100.00	100.00

* Baiterek Venture Fund JSC was established by the Decision of the Board of Directors of the Group on 23 March 2014.

** In November 2018, 100% interest in BV Management LLP was repurchased from the subsidiary of Baiterek Venture Fund JSC.

*** In June 2018 the Group restructured the private equity funds and foreign subsidiaries MRIF CASP C.V. and Kazyna Investment Holding Cooperatief U.A. The Group performed necessary arrangements to transfer the Group's assets to the special purpose vehicle (SPV) Kazyna Seriktes B.V., which is 100% subsidiary of the Group incorporated in the Netherlands. There were transferred assets of 10 PEFs (Falah Growth Fund L.P., Russian-Kazakh Nanotechnology Fund, Macquarie Russia & CIS Infrastructure Fund L.P., Kazakhstan Infrastructure Fund C.V., ADM Kazakhstan Capital Restructuring Fund C.V., Kazakhstan Growth Fund L.P., DBK Equity Fund C.V., Wolfensohn Capital Partners L.P., CITIC Kazyna Investment Fund I L.P. and Islamic Infrastructure Fund L.P.). Investments were restructured to improve the Group's financial efficiency.

**** On 12 April 2019 an agreement for establishment of the Private Equity Fund "KCM Sustainable Development Fund C.V." (a subsidiary of the Group). Kazyna Seriktes B.V. is a limited partner having the ownership of 99.9% while BV Management JSC is the general partner with the ownership of 0.01%.

***** On 15 December 2022 the Board of Directors of the Group made decision to establish a subsidiary - BGlobal Ventures Ltd. Private Company.

The Group does not consolidate its subsidiaries BV Management LLP and BGlobal Ventures Ltd. Private Company as these subsidiaries (individually and collectively) are not significant for the Group's financial position, performance and cash flows, irrespective of whether they are consolidated or not.

As at 31 December 2024, in accordance with IFRS 10, the Company determined that Kazakhstan Infrastructure Fund C.V. holding a 95% ownership interest is not a subsidiary as the Company does not control Kazakhstan Infrastructure Fund C.V. As at 31 December 2023, Kazakhstan Infrastructure Fund C.V. is not the Company's subsidiary holding a 95% ownership interest either.

(b) Kazakhstan business environment

The Group's operations are primarily located in Kazakhstan. Consequently, the Group is exposed to the economic and financial markets of Kazakhstan which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan.

Depreciation of the Kazakhstan Tenge and volatility in the global price of oil also increases the level of uncertainty in the business environment.

In February 2022, because of the military conflict between the Russian Federation and Ukraine, a number of countries imposed sanctions against the Russian Federation. The conflict affects not only the economic activity of two countries but the global economy as well. As a result of sanctions, commodity and food prices have risen in many countries around the world, the established links between supply of resources have been disrupted, inflation also affects the prices, and analysts also forecast economic implications for the global industry.

The consolidated financial statements reflect management's assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

2 Basis of accounting

(a) Statement of compliance

The accompanying consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (referred to as "IFRS Accounting Standards").

(b) Basis for measurement

The consolidated financial statements are prepared on the historical cost basis except that financial assets measured at fair value through profit or loss and investment financial assets measured at fair value through other comprehensive income and at fair value through profit or loss.

(c) Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the Group operates. The functional currency of the Group is KZT. If indicators of the primary economic environment are mixed, then management uses its judgment to determine the functional currency that reflects the economic substance of the majority of underlying events and circumstances relevant to them. A significant portion of the investments and transactions of the Group and its subsidiaries are denominated in KZT.

Investor subscriptions and redemptions are also received and paid in KZT. Accordingly, management has determined that the functional currency of the Group is KZT. Financial information presented in KZT is rounded to the nearest thousand.

(d) Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- status of an entity specialising in venture investments in accordance with IAS 28 and perimeter of consolidation of subsidiaries - Note 3(a)(iii) and Note 11;
- appropriateness of the valuation technique used to estimate the fair value of assets measured at fair value through profit or loss - Note 25;
- classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding – Note 3(e)(i);
- initial recognition of loans issued at below markets rates – Notes 11 and 12;
- setting the criteria to assess whether credit risk on the financial asset has increased significantly since initial recognition and criteria to recognise default - Note 4.

(e) Assumptions and estimations uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the consolidated financial statements for the year ended 31 December 2024 is included in the following notes:

- determining fair value of financial instruments measured at fair value through profit or loss - Notes 11 and 25;
- impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information – Note 4.

(f) Presentation of comparative data

In preparing its consolidated financial statements as at and for the year ended 31 December 2024, the Group made decision:

- to reclassify expenses on management of the funds from “Other operating income (expenses), net” to “General and administrative expenses” in the consolidated statement of profit or loss and other comprehensive income. Expenses on management of the funds for 2024 and 2023 were recognised under the contract of KCM Sustainable Development Fund C.V. signed with BV Management LLP that is a general partner for management of cash intended to finance the investment projects under the CDMI and AIC programmes;
- to reclassify interest income on loans to customers measured at fair value from item “Net loss on financial instruments at fair value through profit or loss” to a separate item “Other interest income” of the consolidated statement of profit or loss and other comprehensive income;
- divide the sub-item ‘Other financial assets’ of the item ‘Assets measured at fair value through profit or loss’ into separate sub-items ‘Equity instruments’ and ‘Debt instruments’ in the consolidated statement of financial position.

This reclassification had no impact on the Group’s profit before income tax for the year ended 31 December 2023. The Group’s management believes that this presentation is most appropriate for users of the consolidated financial statements.

The following table shows the impact of such changes:

KZT'000	As previously reported	Impact of reclassification	As reclassified
Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023			
Other operating income/(expense), net	(422,382)	619,371	196,989
General and administrative expenses	(1,515,965)	(619,371)	(2,135,336)
Other interest income	-	1,816,072	1,816,072
Net loss on financial instruments at fair value through profit or loss	1,795,262	(1,816,072)	(20,810)
Total	**(143,085)**	**-**	**(143,085)**
Consolidated statement of financial position as at 31 December 2023			
Assets measured at fair value through profit or loss			
Other financial assets	76,819,554	(76,819,554)	-
- Equity instruments	-	56,687,825	56,687,825
- Debt instruments	-	20,131,729	20,131,729
Total	**76,819,554**	**-**	**76,819,554**

3 Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

(i) Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquire; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for so that the assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group's consolidated subsidiaries operate as an investment entity whereby the Group invests and commits to invest into various portfolio companies.

The Group invests into the portfolio companies by purchasing the unlisted and listed private equity instruments of private companies or providing debt finance to these companies. The portfolio companies may pay cash interest or accrue interest in-kind on the debt held by the Group and repay debt based on the terms of the respective agreements.

Dividends may be paid to the Group based on the results of operating activities of portfolio companies. Decision on payment of dividends is made at the discretion of the Board of Directors of a respective portfolio company.

(iii) Interests in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group applies exemption provided by IAS 28, which allows not to apply the equity accounting method to account for investments in associate and joint ventures, which are directly held by an entity (or indirectly - through an entity) that is an entity specialising in venture investments. Such entities have a right to account for their investments in said associates and joint ventures at fair value through profit or loss in accordance with IFRS 9.

The Group believes that it meets the status of entities specialising in venture investments as the Group meets the following criteria:

- The principal activity of the Group is investing of funds to generate the operating income, capital gains or both;
- Investees represent an independent business units operating independently (on a stand-alone basis) of an investor.

Thus, interests in associates and joint ventures are accounted as financial instruments at fair value through profit or loss in accordance with the scope exemption in IAS 28 *Investments in Associates and Joint Ventures.*

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments unless the difference is due to impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances (nostro accounts) held with banks, and highly liquid financial assets with original maturities of less than three months, which are not subject to significant risk of changes in their fair value, and are used by the Group in the management of short-term commitments. Cash and cash equivalents are carried at amortised cost in the consolidated statement of financial position.

(d) Reverse repurchase agreements

Securities purchased under agreements to resell (referred to as "reverse repo") are recorded within cash and cash equivalents. The difference between the purchase and resale prices represents interest income and is recognised over the term of the repo agreement using the effective interest method. If assets purchased under an agreement to resell are sold to third parties, the obligation to return securities is recorded as a trading liability and measured at fair value.

(e) Interest income and expense

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance (or impairment allowance).

The 'gross carrying amount of a financial asset' measured at amortised cost is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset decreases.

Presentation

Interest income presented in the consolidated statement of profit or loss and other comprehensive income comprise interest income calculated using the effective interest method, for financial assets and measured at amortised cost as well as for debt financial instruments measured at fair value through other comprehensive income. Interest expense presented in the consolidated statement of profit or loss and other comprehensive income includes interest expense on financial liabilities measures at amortised cost.

(f) Financial assets and financial liabilities

(i) Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 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.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 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.

For debt financial assets measured at FVOCI, gains and losses are recognised in other comprehensive income, except for the following, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL and reversals; and
- foreign exchange gains and losses.

When a debt financial asset measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management’s strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets.
- how the performance of the portfolio is evaluated and reported to the Group’s management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected;
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group considers:

- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse asset arrangements);
- features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

In some cases, financial assets limit the Group's claim to cash flows of certain assets (non-recourse financial assets). The Group applies judgment in assessing whether the non-recourse financial assets meet the SPPI criterion. The Group typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Group will benefit from any upside from the underlying assets.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

(ii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iii) Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different (referred to as 'substantial modification'), then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

Changes in cash flows on existing financial assets or financial liabilities are not considered as modification, if they result from existing contractual terms.

The Group performs a quantitative and qualitative evaluation of whether the modification is substantial, i.e. whether the cash flows of the original financial asset and the modified or replaced financial asset are substantially different. The Group assesses whether the modification is substantial based on quantitative and qualitative factors in the following order: qualitative factors, quantitative factors, combined effect of qualitative and quantitative factors. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset deemed to have expired. In making this evaluation the Group analogises to the guidance on the derecognition of financial liabilities.

The Group concludes that the modification is substantial as a result of the following qualitative factors:

- change the currency of the financial asset;
- change in collateral or other credit enhancement; If cash flows are modified when the issuer is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place (see below for write off policy).

This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases. The Group further performs qualitative evaluation of whether the modification is substantial.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss.

For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the issuer, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

The Group assesses whether the modification is substantial based on quantitative and qualitative factors in the following order: qualitative factors, quantitative factors, combined effect of qualitative and quantitative factors. The Group concludes that the modification is substantial as a result of the following qualitative factors:

- change the currency of the financial liability;
- change in collateral or other credit enhancement;
- inclusion of conversion feature;
- change the subordination of the financial liability.

For the quantitative assessment the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

If a modification (or exchange) does not result in the derecognition of the financial liability the Group applies accounting policy consistent with the requirements for adjusting the gross carrying amount of a financial asset when a modification does not result in the derecognition of the financial asset i.e. the Group recognises any adjustment to the amortised cost of the financial liability arising from such a modification (or exchange) in profit or loss at the date of the modification (or exchange).

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows were substantially different, then the contractual rights to cash flows from the original financial asset were deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

If the terms of a financial asset were modified because of financial difficulties of the issuer and the asset was not derecognised, then impairment of the asset was measured using the pre- modification interest rate.

(iv) Impairment

See also Note 4.

The Group recognizes loss allowance for expected credit losses on the following financial instruments not measured at fair value through profit or loss:

- investments in debt instruments measured at amortised cost, such investments include:
  - accounts and deposits in banks and other financial institutions;

- reverse repurchase agreements (“reverse repo”);
- loans to customers;
- investment in securities;

- investments in debt instruments measured at fair value through other comprehensive income (FVOCI).

The Group measures loss allowances at an amount equal to 12-month ECLs, except for the following:

- financial instruments on which credit risk has increased significantly since their initial recognition;
- recognised as credit-impaired upon initial recognition;
- credit-impaired upon initial recognition.

The Group considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of ‘investment grade’.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as ‘Stage 1’ financial instruments.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of the financial instrument. Financial instruments, other than purchased or originated credit-impaired assets, for which a lifetime ECL is recognised are referred to as ‘Stage 2’ financial instruments (if the credit risk has increased significantly since initial recognition, but the financial instruments are not credit-impaired) and ‘Stage 3’ financial instruments (if the financial instruments are credit-impaired).

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- *financial assets that are not credit-impaired at the reporting date:* as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive);
- *financial assets that are credit-impaired at the reporting date*: as the difference between the gross carrying amount and the present value of estimated future cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the issuer, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected restructuring does not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring results in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired.

A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for a security because of financial difficulties.

An instrument that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a financial instrument that is overdue for 90 days or more is considered impaired.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for ECL are presented in the consolidated statement of financial position as follows:

- *financial assets measured at amortised cost:* as a deduction from the gross carrying amount of the assets;
- *debt instruments measured at FVOCI:* no loss allowance is recognised in the consolidated statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-offs

Financial assets are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(g) Share capital

(i) Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(ii) Dividends

The ability of the Group to declare and pay dividends is subject to the rules and regulations of the Kazakhstan legislation.

Dividends in relation to ordinary shares are reflected as an appropriation of retained earnings in the period when they are declared.

(h) Taxation

Income tax comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items of other comprehensive income or transactions with shareholders recognised directly in equity, in which case it is recognised within other comprehensive income or directly within equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and temporary differences related to investments in subsidiaries where the parent is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences, unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that taxable profit will be available against which the deductible temporary differences can be utilised.

(i) Government grants

Government grants are assistance by the Government of the Republic of Kazakhstan, Government agencies and state-owned entities in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operating activities of the Group. Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. If there are conditions that may require repayment, the grant is recognised in liabilities.

The benefit of a government loan at a below-market rate of interest is treated as a government grant. The benefit of the below-market rate of interest is measured as the difference between the initial carrying value of the loan and the proceeds received.

Government grants that compensate the Group for expenses incurred are recognised in profit or loss as expenses on a systematic basis in the same periods in which the expenses are recognised.

(j) New standards and interpretations

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2024, with early adoption possible. However, the Group did not early adopt new and amended standards in preparing these consolidated financial statements.

The following amendments to standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- *Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants (Amendments to IAS 1);*
- *Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);*
- *Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);*
- *Lack of Exchangeability (Amendments to IAS 21);*

The impact of adoption of IFRS 18 *Presentation and Disclosure in Financial Statements* (effective from 1 January 2027) on the Group’s consolidated financial statements will be evaluated in subsequent reporting periods.

4 Financial risk review

This note presents information about the Group’s exposure to financial risks. For information on the Group’s financial risk management framework, see Note 18.

Credit risk - Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

See accounting policy in Note 3(f)(iv).

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of debtor.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

- Information obtained during periodic review of issuer files – e.g. audited financial statements, management accounts, budgets and projections;
- Data from credit reference agencies, press articles, changes in external credit ratings;
- Payment record – this includes overdue status;
- Actual and expected significant changes in the political, regulatory and technological environment of the issuer or in its business activities.

Generating the term structure of PD

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects default information about its credit risk exposures analysed by type of product and issuer as well as by credit risk grading.

Determining whether credit risk has increased significantly

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

The Group will deem the credit risk of a particular exposure to have increased significantly since initial recognition if, the credit rating of an issuer is determined to have decreased by two and more positions since initial recognition.

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

Definition of default

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding; or
- probability that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative – e.g. breaches of covenant;
- quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporating of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Group uses expert judgment in assessment of forward-looking information. This estimate is also based on information obtained from external sources. External information may include economic data and forecasts published by governmental bodies, the National Bank of the Republic of Kazakhstan, Ministry of National Economy of the Republic of Kazakhstan and selected private sector and academic forecasters. GDP forecast is the key driver that affect assessment of credit risk and credit losses.

Modified financial assets

The contractual terms of an instrument may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the issuer. An existing instrument whose terms have been modified may be derecognised and the renegotiated instrument recognised as a new instrument at fair value in accordance with the accounting policy set out in Note 3(f)(iii).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

When modification results in derecognition, a new financial asset is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The Group renegotiates amounts due from customers in financial difficulties (referred to as 'forbearance activities') to maximise collection opportunities and minimise the risk of default.

Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the counterparty is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms. The revised terms usually include extending the maturity and changing the timing of interest payments.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the debtor's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired in default. An issuer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired/ in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECL.

Financial assets recognised as credit-impaired on initial recognition (POCI assets)

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

POCI assets on initial recognition do not have a loss allowance for ECL. Instead, the lifetime expected credit losses are calculated as an internal rate of return by applying the credit-adjusted effective interest rate.

Upon subsequent measurement, the expected credit losses on POCI assets are always assessed at an amount equal to the changes in lifetime expected credit losses since initial recognition of the asset.

The cumulative changes in the lifetime expected credit losses are recognised as loss allowance on POCI assets at each reporting date since initial recognition of the asset. The changes in expected credit losses are reflected based on the customer's behaviour by comparing the rate of return to the actual repayment amounts for the reporting period:

1) the amount reflecting favourable changes in lifetime expected credit losses is recognised as an impairment gain, even if the resulting change exceeds the previously recognised adjustment to interest income in profit or loss;
2) the amount reflecting negative changes in the lifetime expected credit losses is recognised as an impairment loss allowance;
3) if there are no changes in expected cash flow recoverability expectations for a POCI asset compared to initial recognition expectations, no impairment gain or loss allowance is recognised.

ECL measurement

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

PD estimates are estimates at a certain date of ratios exposed to credit risk. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used by the Group to derive the PD. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

The Group estimates LGD parameters based on the collateral structure and external/internal rating of the counterparty/pledgor.

The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset.

To ensure adequate evaluation of loss given default amounts, the Group also considers the following LGD categories:

- The LGD parameter is equal to 0% if the Government of the Republic of Kazakhstan acts as counterparty.
- The LGD parameter is equal to 70% if a bank or another financial institution acts as counterparty.
- For other counterparties having the external/internal rating, LGD is calculated based on Moody's recovery studies according to the external rating of a counterparty. LGD parameters are to be recalculated as far as revised studies are available.

EAD represents the expected exposure as at the date of default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Group considers a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of a debt.

For portfolios in respect of which the Group has limited historical data, external benchmark information is used to supplement the internally available data. The portfolios for which external benchmark information represents a significant input into measurement of ECL are as follows.

		Comparative information from external sources	
	Carrying amount at 31 December 2024 KZT'000	**PD**	**LGD**
Cash and cash equivalents	38,928,100	Standard and Poor's default study	For financial institutions inside Kazakhstan, LGD is based on historical recovery data from defaulted financial institutions/ Moody's recovery studies.
Loans to customers	23,550,256		
Investment financial assets	47,803,138		

		Comparative information from external sources	
	Carrying amount at 31 December 2023 KZT'000	**PD**	**LGD**
Cash and cash equivalents	68,953,306	Standard and Poor's default study	For financial institutions inside Kazakhstan, LGD is based on historical recovery data from defaulted financial institutions/ Moody's recovery studies.
Loans to customers	15,991,978		
Investment financial assets	8,623,524		

Credit quality analysis

The table below provides an indicative comparison of the Group's internal risk ratings with PD and Standard & Poor's external credit ratings.

Risk rating	Average probability of default (%)	External rating
Stable	0.00 - 0.27	AAA to BBB-
Sufficient	0.39 - 7.76	BB+ to B-
Increased risk	14.69 - 52.76	CCC+ to CCC-
Credit impaired	100	SD/D

The following tables set out information about the credit quality of financial assets measured at amortised cost and FVOCI debt instruments as at 31 December 2024 and 31 December 2023.

Unless specially indicated, for financial assets, the amounts in the tables represent gross carrying amounts.

Explanation of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 3(f)(iv).

	31 December 2024 KZT'000	**31 December 2023 KZT'000**
	12-month expected credit losses (Stage 1)	**12-month expected credit losses (Stage 1)**
Cash and cash equivalents		
Current accounts in banks		
- rated from BBB- to BBB+	4,018,967	17,406,318
- rated from BB- to BB+	2,692	5,813,378
- not rated	47,813	52,258
Total cash on current accounts	**4,069,472**	**23,271,954**
Short-term deposits with banks		
- rated from BBB- to BBB+	1,754,294	6,131,197
- rated from BB- to BB+	711,241	1,508,267
Total short-term deposits with banks	**2,465,535**	**7,639,464**
Receivables under reverse repurchase agreements with an original maturity of less than 3 months		
- rated from BBB- to BBB+	32,396,504	38,073,443
Loss allowance	(3,411)	(31,555)
Carrying amount	**38,928,100**	**68,953,306**

	31 December 2024 KZT'000	**31 December 2023 KZT'000**
	Lifetime ECL for credit-impaired assets (Stage 3)	**Lifetime ECL for credit-impaired assets (Stage 3)**
Deposits with banks and financial institutions		
- rated D	17,237,277	15,684,276
Loss allowance	(17,237,277)	(15,684,276)
Carrying amount	**-**	**-**

	31 December 2024			
KZT'000	**12-month expected credit losses (Stage 1)**	**Expected credit lifetime losses on assets that are not credit-impaired (Stage 2)**	**Credit-impaired at initial recognition (POCI)**	**Total**
Loans to customers				
- rated from BB- to BB+	3,929,414	-	-	3,929,414
- rated from B- to B+	10,567,323	-	-	10,567,323
- rated from CCC- to CCC+	4,459,349	1,475,779	-	5,935,128
- rated from C- to C+	-	-	3,972,319	3,972,319
Loss allowance	(426,768)	(427,160)	-	(853,928)
Carrying amount	**18,529,318**	**1,048,619**	**3,972,319**	**23,550,256**

	31 December 2023		
KZT'000	**12-month expected credit losses (Stage 1)**	**Expected credit lifetime losses on assets that are not credit-impaired (Stage 2)**	**Total**
Loans to customers			
- rated from BB- to BB+	3,469,434	-	3,469,434
- rated from B- to B+	11,361,328	-	11,361,328
- rated from CCC- to CCC+	-	1,885,461	1,885,461
Loss allowance	(313,465)	(410,780)	(724,245)
Carrying amount	**14,517,297**	**1,474,681**	**15,991,978**

	31 December 2024 KZT'000	**31 December 2023 KZT'000**
	12-month expected credit losses (Stage 1)	**12-month expected credit losses (Stage 1)**
Investment financial assets at FVOCI		
- rated from BBB- to BBB+	34,679,516	430,751
- rated from BB- to BB+	7,654,626	-
Carrying amount	**42,334,142**	**430,751**

	31 December 2024		
KZT'000	**12-month expected credit losses (Stage 1)**	**Credit-impaired at initial recognition (POCI)**	**Total**
Investment financial assets at amortised cost			
- rated from BB- to BB+	2,162,168	3,306,828	5,468,996
Carrying amount	**2,162,168**	**3,306,828**	**5,468,996**

	31 December 2023		
KZT'000	**12-month expected credit losses (Stage 1)**	**Credit-impaired at initial recognition (POCI)**	**Total**
Investment financial assets at amortised cost			
- rated from BBB- to BBB+	2,217,821	-	2,217,821
- rated from BB- to BB+	3,159,840	-	3,159,840
- rated from B- to B+	-	2,815,112	2,815,112
Carrying amount	**5,377,661**	**2,815,112**	**8,192,773**

Movement in loss allowance for expected credit losses

The following table shows reconciliations from the opening to the closing balances of 2024 of the loss allowance, with the year-to-year change:

	Cash and cash equivalents	Deposits with banks and financial institutions	Loans to customers	Investment financial assets	Other financial assets
Balance at the beginning of the reporting period	31,555	15,684,276	724,245	-	130,719
Net remeasurement of loss allowance	(28,382)	(55,918)	129,683	180,472	(8,923)
Effect of changes in foreign exchange rates	238	1,608,919	-	1,187	-
Balance at the end of the reporting period	**3,411**	**17,237,277**	**853,928**	**181,659**	**121,796**

5 Net interest income

	2024 KZT'000	2023 KZT'000
Interest income calculated using the effective interest method		
Cash and cash equivalents	8,123,358	10,611,538
Loans to customers	3,294,167	897,321
Investment financial assets	1,611,876	778,548
Other interest income		
Loans to customers	2,119,909	1,816,072
Total interest income	**15,149,310**	**14,103,479**
Interest expense		
Debt securities issued	(1,162,786)	(1,136,482)
Total interest expense	**(1,162,786)**	**(1,136,482)**
Total net interest income	**13,986,524**	**12,966,997**

6 Personnel expenses

	2024 KZT'000	2023 KZT'000
Employee benefits	1,711,531	1,485,486
Payroll related taxes and contributions	171,399	131,128
	1,882,930	**1,616,614**

7 General and administrative expenses

	2024 KZT'000	2023 KZT'000
Costs of management	743,988	619,371
Outstaffing	458,706	252,269
Other third-party services	319,370	226,479
Operating lease expense	286,402	219,638
Professional services	280,652	322,185
Audit expenses	175,611	101,705
Depreciation and amortisation	83,118	74,821
Transportation services	45,712	37,499
Business travel expenses	43,606	60,200
Training expenses	23,172	26,081
Other	101,250	195,088
	2,561,587	**2,135,336**

The service fee for audit of the Group's consolidated financial statements prepared in accordance with IFRS Accounting Standards, as at and for the year ended 31 December 2024, amounted to KZT 175,611 thousand, including VAT. The fee for support in translation of the consolidated financial statements into English, formatting and proofreading of consolidated financial statements amounted to KZT 2,634 thousand, including VAT.

8 Income tax expense

	2024 KZT'000	2023 KZT'000
Current year tax expense	2,358,350	3,325,944
Movement in deferred tax assets/deferred tax liabilities due to origination and reversal of temporary differences and movement in loss allowance	31,551	(500,983)
Overpayment/(additional charge of expenses) for current income tax for previous years	43,915	779,120
Total income tax expense	**2,433,816**	**3,604,081**

In 2024, the applicable tax rate for current and deferred tax is 20% (2023: 20%).

Reconciliation of effective income tax rate:

	2024 KZT'000	%	2023 KZT'000	%
Profit before income tax	**5,554,139**	**100**	**7,426,708**	**100**
Income tax at the applicable tax rate	(1,110,828)	(20)	(1,485,342)	(20)
(Non-deductible expenses)/non-taxable income from revaluation of financial instruments at fair value through profit or loss	(1,151,664)	(21)	(868,484)	(12)
Non-deductible expenses/(non-taxable income) from ECLs/discount on initial recognition of assets at amortised cost	(591,558)	(11)	(400,382)	(5)
Non-taxable income on securities	210,948	4	79,898	1
Other (non-deductible expenses)/non-taxable income	76,991	2	(11,848)	-
Income tax paid on controlled foreign companies	-	-	(1,717,847)	(23)
Overpayment/(additional charge of expenses) for current income tax for previous years	43,915	1	779,120	10
Fee under the consortium agreement	(28,644)	(1)	-	-
Non-taxable income from government grants	139,072	3	29,471	-
Non-taxable (expense)/income from (impairment)/recovery of debt financial assets	(22,048)	-	(8,667)	-
	(2,433,816)	**(44)**	**(3,604,081)**	**(49)**

Deferred tax assets and deferred tax liabilities

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes give rise to deferred tax liabilities as at 31 December 2024 and deferred tax assets as at 31 December 2023.

Change in temporary differences during the year ended 31 December 2024 and 31 December 2023, can be presented as follows.

	2024		
KZT'000	**At the beginning of the reporting period**	**Recovered/ (charged) to profit or loss**	**At the end of the reporting period**
Other financial assets measured at fair value through profit or loss	(808,576)	80,460	(728,116)
Loans to customers	181,087	(96,289)	84,798
Investment securities measured at fair value through profit or loss	32,546	(29,914)	2,632
Property, plant and equipment	(52,815)	1,087	(51,728)
Other assets	13,497	-	13,497
Other liabilities	46,425	(30,811)	15,614
Net deferred tax liabilities	**(587,836)**	**(75,466)**	**(663,303)**

	2023		
KZT'000	**At the beginning of the reporting period**	**Recovered/ (charged) to profit or loss**	**At the end of the reporting period**
Other financial assets measured at fair value through profit or loss	(413,765)	(394,811)	(808,576)
Loans to customers	108,650	72,437	181,087
Investment securities measured at fair value through other comprehensive income	-	32,546	32,546
Property, plant and equipment	(61,265)	8,450	(52,815)
Other assets	13,892	(395)	13,497
Other liabilities	42,789	3,636	46,425
Net deferred tax liabilities	**(309,699)**	**(278,137)**	**(587,836)**

9 Net foreign exchange gain/loss

	2024 KZT'000	**2023 KZT'000**
Unrealised foreign exchange gain	4,676,557	450,724
Realised foreign exchange loss	(66,680)	(538,830)
	4,609,877	**(88,106)**

A significant unrealised foreign exchange gain in 2024 was driven by the acquisition of corporate bonds denominated in US dollar in the fourth quarter of 2024 for a total amount of KZT 41,860,475 thousand (see Note 13), followed by a substantial depreciation of the Tenge against the US dollar as at 31 December 2024.

10 Cash and cash equivalents

	31 December 2024 KZT'000	31 December 2023 KZT'000
Current accounts with banks	4,069,472	23,271,954
Short-term bank deposits	2,465,535	7,639,464
Amounts receivable under reverse repurchase agreements	32,396,504	38,073,443
Loss allowance for expected credit losses	(3,411)	(31,555)
Total cash and cash equivalents	**38,928,100**	**68,953,306**

Reverse repo transactions are conducted under terms that are usual and customary to standard lending, and securities borrowing and lending activities. Reverse repo transactions are collateralised by government securities issued, debt securities issued by Kazakhstan Sustainability Fund JSC, Ministry of Finance of the RK, Industrial Development Fund JSC, and Development Bank of Kazakhstan JSC, with the fair value of KZT 32,443,897 thousand (2023: KZT 38,092,717 thousand).

The following table shows reconciliations from the opening to the closing balances of the loss allowance for expected credit losses for cash and cash equivalents. All amounts of cash and cash equivalents are classified as Stage 1 of credit risk.

	2024 KZT'000	2023 KZT'000
Balance at the beginning of the reporting period	31,555	36,234
Net change in allowance for expected credit losses	(28,382)	(5,382)
Effect of changes in foreign exchange rates	238	703
Balance at the end of the reporting period	**3,411**	**31,555**

	31 December 2024 KZT'000	31 December 2023 KZT'000
Deposits with banks and financial institutions	17,237,277	15,684,276
Loss allowance for expected credit losses	(17,237,277)	(15,684,276)
Total deposits with banks and financial institutions	-	-

The following table shows reconciliations from the opening to the closing balances of the loss allowance for expected credit losses for deposits with banks and financial institutions. All amounts of deposits with banks and financial institutions are classified as Stage 3 of credit risk.

	2024 KZT'000	2023 KZT'000
Balance at the beginning of the reporting period	15,684,276	14,843,236
Net remeasurement of loss allowance	(55,918)	(16,580)
Effect of changes in foreign exchange rates	1,608,919	857,620
Balance at the end of the reporting period	**17,237,277**	**15,684,276**

11 Assets measured at fair value through profit or loss

	31 December 2024 KZT'000	Ownership interest, %	31 December 2023 KZT'000	Ownership interest, %
Investments in joint ventures				
AstanaGas KMG JSC	40,302,348	50.00	40,276,183	50.00
Baikonyr Solar LLP	7,460,392	49.00	6,052,722	49.00
KTK Service LLP	3,974,379	49.00	4,817,617	49.00
Private Company Unicorn Feed	3,151,827	34.73	2,293,410	34.73
Silumin of Qazaqstan	2,872,676	49.00	-	-
EPG PROMETHEUS SCHOOL LLP	2,536,387	26.59	2,786,273	26.59
Makinskiy zavod teploizolyatsii LLP	2,065,342	49.00	1,804,301	49.00
Medical Centre Iclinic Atyrau LLP	2,063,413	47.00	2,212,000	47.00
Kazakhstanskiy zavod goryachego tsinkovaniya LLP	691,782	49.00	1,215,000	49.00
Arnau Agro LLP	525,049	49.00	1,076,583	49.00
CA International	461,216	49.00	-	-
Kazakhstanskiye truboprovodnyye sistemy LLP	392,415	34.00	650,000	34.00
Best Meat LLP	284,855	49.00	318,603	49.00
Kazakhstan Hungarian Investment Private Equity Fund C.V.*	86,345	49.50	42,461	49.50
Kaspi Munay Kapital LLP	-	-	1,000,000	39.00
	66,868,426		**64,545,153**	
Investments in associates				
CITIC Kazyna Investment Fund I L.P.*	18,486,485	49.90	13,496,480	49.90
EMC Agro LLP	6,673,601	24.47	5,867,542	24.47
Kazakhstan Growth Fund L.P.*	4,084,185	49.50	2,046,417	49.50
Alit Holding LLP	2,809,688	49.00	3,300,000	49.00
KazMyaso LLP	2,273,671	49.00	2,538,820	49.00
Kazakhstan Capital Restructuring Fund C.V.*	2,055,959	49.50	2,694,941	49.50
Format Mach Company Engineering LLP	1,304,341	25.00	-	-
Private Company KazrostEngineering Ltd	763,413	16.00	1,102,999	32.00
Burundai Mineral Water LLP	165,806	45.25	144,387	45.25
Temirbeton-1 LLP	-	22.00	715,770	22.00
	38,617,149		**31,907,356**	
Other equity financial assets				
Kazakhstan Infrastructure Fund C.V.*	31,324,942	95.24	37,237,089	95.24
AITAS LUX S.A.R.L	5,083,762	3.91	6,312,319	3.91
500 Startups V L.P.*	4,985,186	7.10	5,418,718	7.50
Quest Ventures Asia Fund II L.P.*	4,488,938	30.70	4,179,705	33.80
BV Management LLP**	525,311	100.00	333,696	100.00
DBK Equity Fund C.V.*	513,237	2.99	1,141,655	2.99
Apex Fund I L.P.*	395,760	97.00	-	-
Wellington Partners Ventures III Technology Fund L.P.*	379,032	5.13	668,532	5.10
TTS Astana-2007 K LLP	246,567	17.17	183,699	17.17
Private Company BGlobal Ventures Ltd.**	143,700	100.00	67,502	100.00
Da Vinci Emerging Technologies Fund III L.P.*	16,576	18.83	151,368	12.50
Flagship Ventures Fund 2004 L.P.*	5,716	6.60	308	6.60
BRBAPK LLP	-	-	993,234	8.30
	48,108,727		**56,687,825**	
Total equity financial assets	**153,594,302**		**153,140,334**	
Debt financial instruments	**27,135,021**		**20,131,729**	
Investments under the consortium agreement through Private Equity Fund "Baiterek Investment Fund"				
Ak Zhaiyk Capital LLP (a loan)	26,286,130		-	
	26,286,130		**-**	
Total assets measured at fair value through profit or loss	**207,015,453**		**173,272,063**	

*portfolio private equity funds.

**insignificant subsidiaries.

Equity financial assets – in joint ventures and associates

The Group's principal activity is investing to generate income and to obtain benefits from capital growth. The Group has an exit strategy in place for each of its investments. Under the concluded agreements on joint financing of investees, option clauses ('put' and 'call' options) are stipulated, defining the possible timelines and procedure for the Group's exit from the share capital of each investee.

The Group's investment activities are carried out through subsidiaries of the Group. The Group has an established control and reporting system for its investment activities. The Group also has the Investment Department and Risk Management Department, which are responsible for managing the Group's investment activities, including reporting to the Group Management and Board of Directors. In addition, the Group's investees are separate business units, where the Group's participation is limited with no control over the investees.

The Group believes that it meets the definition of venture capital organisation and applies the exemption from the use of the equity method to account for investments in associates and joint ventures. Therefore, the Group accounts for its investments in associates and joint ventures at fair value through profit or loss in accordance with IFRS 9.

Additional qualitative information on the Group's significant investments in associates and joint ventures (with fair values exceeding 1% of the Group's total assets at the reporting date) is presented below.

AstanaGas KMG JSC

In October 2018, the Group acquired 50% of voting shares of AstanaGas KMG JSC for a total of KZT 121 thousand and made an additional contribution to charter capital of KZT 40,150,000 thousand on 30 October 2018. AstanaGas KMG JSC was established to implement the project of gasification of Astana city and northern regions of the Republic of Kazakhstan, as well as other programmes for the development of gas industry. This entity is considered to be a joint venture. The Group financed the acquisition by issuing 40,150,000 bonds with par value of KZT 1,000 per bond, which mature on demand and have a coupon interest of 0.01% per annum. According to the agreement concluded with the seller of the shares, the Group has a 'put option' enabling the Group to sell its share in equity investment in AstanaGas KMG JSC, in the amount of KZT 40,150,000 thousand, with a yield of 0.01% per annum upon expiry of 15 years, and if demanded so by holders of the bonds issued by the Group, buy back issued bonds.

Baikonyr Solar LLP

On 28 February 2019, the Group made a contribution to the charter capital of Baikonyr Solar LLP of KZT 4,242,000 thousand, and as a result, the Group acquired an equity interest of 49%. Baikonyr Solar LLP is primarily engaged in construction and operation of the 50 MW solar power plant, based in Kyzylorda Region. The Baikonyr solar power plant was commissioned in December 2019. This entity is considered to be a joint venture. The investment contract includes a 'put option', according to which the Group has the right to sell its ownership interest not earlier than in 9 months, from 3 July 2024, with a premium of 11.5% per annum above the initial value.

KTK Service LLP

On 4 June 2021, the Group made a contribution to the charter capital of KTK Service LLP of KZT 3,600,000 thousand, and as a result, the Group acquired an equity interest of 49%. KTK Service LLP is primarily engaged in construction and assembly, road construction, drilling and blasting, and cargo shipping. This entity is considered to be a joint venture. The investment contract includes a 'put option' according to which the Group has the right to sell its ownership interest in KTK Service LLP not earlier than 31 December 2026, with a premium of 8% per annum above the initial value.

Private Company Unicorn Feed

During the 2021, the Group issued a loan with the nominal value of KZT 4,700,000 thousand and interest rate of 12% per annum, provided as part of the state programme "Employment Roadmap 2020-2021". The Group determined that cash flows from these loan comprise not only payments of principal and accrued interest on principal amount outstanding. Therefore, this loan does not meet the SPPI criterion and is measured by the Group at fair value through profit or loss. During 2023, the Group restructured the loan, reducing its nominal value to KZT 1,900,000 thousand, and acquiring a 34.73% interest in the charter capital, amounting to KZT 2,800,000 thousand. The Unicorn Feed project involves the construction of a fodder plant with the capacity of 100,000 tons per year, in Akmola Region. This entity is considered to be a joint venture. The investment contract includes a 'put option' according to which the Group has the right to sell its ownership interest in PC Unicorn Feed not earlier than 31 March 2026, with a premium of 12% per annum above the initial value.

CITIC KAZYNA Investment Fund I L.P.

On 26 May 2009, the Group signed the articles of association, formally establishing a fund, CITIC KAZYNA Investment Fund I L.P. (the "Fund"), with a target fund size of USD 200,4 million. The Group's investment commitments to the Fund amount to USD 100 million, and the Group's interest in the Fund's capital is 49.9%. The international investment company CITIC Capital manages the Fund's assets. This private equity fund is considered to be an associate. The Fund concentrates its investments within three core industries: infrastructure, real estate, and mineral exploration and production. Since its foundation, the Fund has invested in 5 projects, of which 2 projects are owned by Kazakhstani companies. As at the reporting date, the Fund has completed its active investment cycle, and is actively exploring strategies for successful exits from its investees.

EMC Agro LLP

On 14 October 2019, the Group made a contribution to the charter capital of EMC Agro LLP of KZT 1,585,000 thousand, and as a result, the Group acquired an equity interest of 9.99%. During 2020, the Group made an additional contribution to the charter capital of EMC Agro LLP of KZT 2,297,000 thousand, increasing its equity interest to 24.47%. In October 2022, the Group and second participant represented by KazFoodProducts LLP made an additional proportional contribution to the charter capital of EMC Agro LLP, of KZT 1,100,000 thousand and KZT 618,608 thousand, respectively. At that, the percentage interests of the Group and KazFoodProducts LLP in the charter capital of EMC Agro LLP remained unchanged. EMC Agro LLP is primarily engaged in producing pork products, including breeding, raising and slaughtering animals, as well as meat processing and distribution. EMC Agro LLP is a member of the EMC Agro's group of companies, which specializes in ultra-processing grain crops into starches, flours, and fodder. This entity is considered to be an associate. The investment contract includes a 'put option', according to which the Group has the right to sell its ownership interest not earlier than in 5 years from the acquisition date, with a premium of 8% per annum above the initial value.

Kazakhstan Growth Fund L.P.

Kazakhstan Growth Fund L.P. was established with a total target size of USD 80,8 million. The Group's investment commitments to the Fund amount to USD 40 million, and the Group's interest in the Fund's capital is 49.5%. The international investment company CEECAT Capital manages the Fund's assets. This private equity fund is considered to be an associate. The Fund's core investment areas include the food industry, equipment for the mining industry, metallurgy, wood processing and others. Since the agreement was signed, the Fund has invested in 7 projects, of which 6 projects are owned by Kazakhstani companies. As at the reporting date, the Fund has completed its active investment cycle, and is actively exploring strategies for successful exits from its investees.

Significant investments realised in 2024

Silumin of Qazaqstan

In July 2024, the Group made a contribution to the charter capital of Silumin of Qazaqstan LLP under the CDMI programme (Concept of Development of the Manufacturing Industry), of KZT 4,999,000 thousand, and as a result, the Group acquired an equity interest of 49%. Silumin of Qazaqstan LLP is primarily engaged in manufacturing steel and aluminium radiators. This entity is considered to be a joint venture. The investment contract includes a 'put option', according to which the Group has the right to sell its ownership interest not earlier than in 7 years from the acquisition date, with a premium of 8% per annum above the initial value.

Interests in associates and joint ventures

The table below summarises the financial information as at 30 September 2024 and 31 December 2023 for significant investments in associates and joint ventures (the fair value of which exceeds 1% of the Group's total assets as at the reporting date) as presented in the own financial statements of these entities:

KZT'000	**Astana Gas KMG JSC**	**Baikonyr Solar LLP**	**KTK Service LLP**	**Private Company Unicorn Feed**
Ownership interest, %	50.00%	49.00%	49.00%	34.73%
Type	Joint venture	Joint venture	Joint venture	Joint venture
Country of incorporation	The Republic of Kazakhstan	The Republic of Kazakhstan	The Republic of Kazakhstan	The Republic of Kazakhstan
Place of business	The Republic of Kazakhstan	The Republic of Kazakhstan	The Republic of Kazakhstan	The Republic of Kazakhstan
As at 30 September 2024 (unaudited)				
Non-current assets	223,741,480	19,995,544	4,336,053	4,147,440
Current assets	22,508,326	2,514,194	4,413,037	3,468,800
- including cash and cash equivalents	15,545,302	1,315,272	3,120	2,166,274
Non-current liabilities	(161,912,687)	(12,496,953)	(1,065,620)	(2,272,061)
- including non-current financial liabilities	(153,884,371)	(10,770,881)	(959,804)	(803,880)
Current liabilities	(30,401,043)	(1,291,279)	(8,523,445)	(1,773,293)
Net assets	53,936,076	8,721,506	(839,975)	3,570,886
For the nine months ended 30 September 2024 (unaudited):				
Revenue	25,106,257	3,597,113	1,466,767	-
Net profit/(net loss)	2,609,212	929,818	(820,262)	(141,709)
Total comprehensive income/(loss) for the period	2,609,212	929,818	(820,262)	(141,709)
As at 31 December 2023	**Audited**	**Audited**	**Unaudited**	**Unaudited**
Non-current assets	233,077,511	20,864,887	4,583,978	1,259,769
Current assets	16,049,103	1,830,495	2,981,947	6,286,109
- including cash and cash equivalents	11,993,099	1,362,774	82,110	4,595,762
Non-current liabilities	(167,312,977)	(13,108,901)	(821,499)	(2,316,776)
- including non-current financial liabilities	(160,352,447)	(11,382,829)	(743,848)	-
Current liabilities	(30,396,773)	(1,433,094)	(7,017,741)	(1,350,923)
Net assets	51,416,864	8,153,387	(273,315)	3,878,179
For the twelve months ended 31 December 2023:				
Revenue	33,607,014	3,937,572	7,923,444	-
Net profit/(net loss)	2,438,952	361,697	(1,172,966)	(146,950)
Total comprehensive income/(loss) for the period	2,438,952	361,697	(1,172,966)	(146,950)

KZT'000	CITIC KAZYNA Investment Fund I L.P.	EMC Agro LLP	Kazakhstan Growth Fund L.P.
Ownership interest, %	49.90%	24.47%	49.50%
Type	An associate	An associate	An associate
Country of incorporation	Cayman Islands	The Republic of Kazakhstan	The Netherlands
Place of business	China/ the Republic of Kazakhstan	The Republic of Kazakhstan	The Republic of Kazakhstan
As at 30 September 2024 (unaudited)			
Non-current assets	16,698,535	28,524,379	6,496,116
Current assets	17,296,639	4,030,325	1,075,401
-Including cash and cash equivalents	83,641	327,639	249,581
Non-current liabilities	-	(10,110,094)	-
- including non-current financial liabilities	-	(9,451,136)	-
Current liabilities	(82,850)	(3,695,493)	(18,955)
Net assets	33,912,324	18,749,117	7,552,562
For the nine months ended 30 September 2024 (unaudited):			
Revenue	13,346	9,611,205	7
Net profit/(net loss)	(58,770)	316,847	(27,825)
Total comprehensive income/(loss) for the period	(58,770)	316,847	(27,825)
As at 31 December 2023	**Audited**	**Audited**	**Audited**
Non-current assets	31,089,464	25,713,452	7,111,388
Current assets	1,357,879	8,358,911	639,490
-Including cash and cash equivalents	894,505	2,886,627	149,136
Non-current liabilities	(930,804)	(10,289,539)	-
- including non-current financial liabilities	-	(4,464,035)	-
Current liabilities	-	(5,357,184)	(43,959)
Net assets	31,516,539	18,425,640	7,706,919
For the twelve months ended 31 December 2023:			
Revenue	(15,795)	12,454,870	42
Net profit/(net loss)	(53,749)	609,182	(41,457)
Total comprehensive income/(loss) for the period	(53,749)	609,182	(41,457)

Equity financial assets – other

Kazakhstan Infrastructure Fund C.V.

In February 2017, the Group and Verno Pe Eurasia GP Limited (referred to as the "General Partner") signed a limited partnership agreement (referred to as the "LPA") related to Kazakhstan Infrastructure Fund C.V. (referred to as "KIF")

Under the terms and conditions of LPA the amount of liabilities related to investment in KIF was allocated between the partners as follows:

- Qazaqstan Investment Corporation Joint Stock Company (USD 100 million) – the 95.24% ownership interest;
- VERNO PE EURASIA GP (USD 5 million) – the 4.76% ownership interest.

The main purpose to have established KIF is investing in share capital of corporates whose principal activities are development of infrastructure projects in target areas. KIF's operations are primarily located in Kazakhstan, while the country of incorporation is the Netherlands.

Despite the Group holds a 95.24% interest in KIF, and is a limited liability partner under the LPS, it is not involved in the decision-making process related to KIF's investing activities.

KIF's management company is the General Partner responsible for making investing decisions, and investing activity is governed by the Investment Policy in accordance with the LPA. The General Partner is free to select assets for capital investment and makes key decisions on the KIF's operating activities and investees' capital, including budgets and key management remuneration.

In accordance with the LPA, the Group may to re-appoint a fund's manager, the General Partner, to protect its interests with regard to investees and KIF' operations. Under the terms of the LPA, there are certain conditions which are attached to the reappointment of the General Manager, including:

- imposing a pecuniary penalty of 2% of the total of investment liabilities;
- searching for a new general partner who is ready to buy out rights and obligations of the predecessor General Partner.

These conditions make the general partner's reappointment process more difficult.

In accordance with the above, under the IFRS 10 *Consolidated Financial Statements*, the Group has no control over KIF as at 31 December 2024 and 31 December 2023.

KIF's key investments are Almaty International Airport JSC and CAEPCO JSC, information on which is provided below.

Almaty International Airport JSC

KIF owns a 15% stake in Almaty International Airport JSC (referred to as the "Almaty Airport") (2023:15%) which is the only airport in Almaty, the largest city of Kazakhstan. TAV Airports owns the remaining 85%.

The investment agreement provides for a 'put option' whereby KIF is granted the right to sell its ownership interest not earlier than 5 years from the acquisition date, while TAV Airports has sufficient financial security to carry out this transaction.

As at 31 December 2024, the fair value of the investment in Almaty Airport increased by KZT 2,776,809 thousand compared to 31 December 2023.

CAEPCO JSC

KIF owned a 4.02% interest in CAEPCO JSC (2023: 4.02%). The principal activity of CAEPCO JSC is production, transmission, distribution and sale of electric and heat energy in the cities of Pavlodar, Petropavlovsk and Astana, and in Akmola Region.

As at 31 December 2023, the fair value of the investment was impaired by KZT 12,689,823 thousand due to inability of CAEPCO JSC to settle liabilities in accordance with the approved financing conditions.

The inability to settle liabilities to the Group is largely due to the increase in unforeseen capital investments in connection with the elimination of the consequences of accidents that occurred at SevKazEnergo JSC in March 2022 and at the HPS in Ekibastuz in November 2022.

On 20 January 2023, according to the share purchase and sale agreement, CAPEC JSC purchased the Group's direct share of 1.45% for KZT 3,146,173 thousand.

On 4 July 2024, KIF filed a Request for Arbitration with the Astana International Arbitration Centre (referred to as "IAC") to recover the debt of USD 58,231,930 thousand. In July 2024, the State Commission for the Modernisation of the Economy of Kazakhstan considered a matter of improper execution of option obligations by CAPEC JSC and CAEPCO JSC to KIF. On 5 November 2024, it was announced that the arbitration proceedings before IAC were suspended until 28 February 2025, aimed to amicably settle the dispute between the parties.

As at 31 December 2024, KIF notified CAEPCO JSC and its parent company CAPEC JSC on occurrence of a default event which arose from a failure of CAEPCO JSC to meet the terms of the financing arrangement. Under the Addendum to the Settlement Agreement of 27 March 2023, the outstanding amount overdue totalled KZT 15,431,117 thousand.

As a result, as at 31 December 2024, the fair value of the investment has been impaired by KZT 8,691,865 thousand, to KZT 0.00.

Quest Ventures Asia Fund II L.P.

As part of the implementation of the strategic line of activity, on 6 March 2020, the Group signed an agreement (referred to as the "LPA agreement") to participate in the Singaporean venture fund, *Quest Ventures Asia Fund II L.P.* (referred to as the "Quest Ventures"), with a total target size of USD 32,5 million. The Group's investment commitments to Quest Ventures amounted to USD 10 million.

The industry-specific mandate of Quest Ventures covers technology-based startups, operating in all economic sectors, with the capacity to scale up their business-projects in international markets. The jointly established fund provides financing to promising start-up projects based in Kazakhstan, Central Asia and Southeast Asia.

Since the agreement was signed, Quest Ventures invested in 32 Kazakhstani startups for a total of USD 2,5 million (through the main fund and acceleration programme). Currently, Quest Ventures continues to evaluate Kazakhstani start-up projects for potential investment opportunities.

Despite the Group holds a 30.7% interest in Quest Ventures, it is not involved in the decision-making process related to Quest Ventures's investing activities, being a limited liability partner under the LPA agreement.

Quest Ventures's management company is the General Partner responsible for making investing decisions, and investing activity is governed by the Investment Policy in accordance with the LPA. The General Partner is free to select assets for capital investment and makes key decisions on the Quest Ventures's operating activities and investees' capital, including budgets and key management remuneration.

In accordance with the above, under the IAS 28 *Investments in Associates and Joint Ventures*, the Group has no significant influence over, and has not recognised, Quest Ventures Asia Fund II L.P. as an associate as at 31 December 2024 and 31 December 2023.

Debt financial instruments

Ak Zhaiyk Capital LLP (a loan)

For the purpose of developing the private equity market in the Republic of Kazakhstan, and drawing from successful experience of Baiterek Venture Fund JSC (referred to as the "BVF"), a private equity fund Baiterek Investment Fund was established (referred to as the "BIF"). BIF is managed by BVF, operating as a traditional management company. BIF has been organised in the form of a consortium (a simple partnership), without forming a legal entity. This structure enables effective interaction between the Company, acting as the investor of BIF, and BVF, the BIF's management company. According to the signed Consortium Agreement on the formation of a private equity fund No.2 of 9 December 2024, the fund size of BIF amounts to KZT 55 billion. Ownership interests of the Company and BIF amount to 99% and 1% of the BIF's size, respectively, and the life cycle of BIF is 15 years from the date of the agreement.

On 19 December 2024, BIF has provided financing for the first project implemented by the consortium formed – *Development of agro-industrial enterprise Ak Zhaiyk Capital LLP*; a KZT 28 billion loan was issued (the Company's interest is 99% or KZT 27,72 billion, and the BVF's interest is 1% or KZT 280 million) the loan bears an interest rate of 15.50% and matures in 2 years. The Group determined that cash flows from this loan comprise not only payments of principal and accrued interest on principal amount outstanding. Therefore, this loan does not meet the SPPI criterion and is measured by the Group at fair value through profit or loss. Ak Zhaiyk Capital LLP is a holding company and combines plant growing assets (production of cereals, leguminous crops, and oil seeds).

Other debt financial assets measured at fair value through profit or loss comprise loans to customers, bearing the nominal interest rates from 8% to 15.25% per annum. The Group determined that cash flows from these debt financial instruments comprise not only payments of principal and accrued interest on principal amount outstanding. Therefore, these financial instruments do not meet the SPPI criterion and are measured by the Group at fair value through profit or loss. The fair value of debt financial instruments was determined using market interest rates varying from 13.70% p.a. to 18.42% p.a. (2023: from 14.01% p.a. to 26.67% p.a.).

Assumptions made by management to determine market interest rate as of the date of initial recognition of loans to customers are disclosed in Note 12.

The fair values of these assets are categorised into Level 3 of the fair value hierarchy based on the inputs into the valuation techniques used. A description of the valuation methods and significant unobservable inputs that were used to estimate the fair value of these assets is presented in Note 25.

The Concept of Development of the Manufacturing Industry (CDMI)

CDMI of the Republic of Kazakhstan for 2023-2029 (hereinafter referred to as the Concept) is developed with the aim of achieving the goals set by the National Development Plan of the Republic of Kazakhstan until 2025. To solve the task of creating specialized factors and market conditions in the industrial sectors, the expansion of the toolkit of measures for state support of manufacturers in the manufacturing industry is envisaged, including package solutions within the framework of the agreement to enhance competitiveness.

The practical implementation of the task of expanding opportunities for growth and development of small and medium-sized businesses will be carried out through measures aimed at improving access to business financing through the expansion and increased targeting of programmes and government incentive measures. For the purpose of implementing this Concept, the Partners approved a new investment policy and Partnership Agreement, whereby the Limited Partner must invest a total amount of KZT 20,000,000 thousand and its share of the obligation to make contribution is equal to 100%.

As at 31 December 2023, to implement the CDMI programme, the Group increased the authorized capital by KZT 35,000,000 thousand (Note 17 (a)).

As at 31 December 2024, contributions to the authorised capital of investees comprised investments with a nominal value of KZT 10,874,900 thousand (31 December 2023: KZT 6,165,000 thousand), provided to implement the CDMI programme. The fair value of these investments as at 31 December 2024 is KZT 7,227,777 thousand (31 December 2023: KZT 6,165,000 thousand).

As at 31 December 2024, loans issued to customers measured at fair value included loans with a nominal value of KZT 16,200,000 thousand (31 December 2023: KZT 7,500,000 thousand) and the interest rate of 8% per annum, provided to implement the CDMI programme. The fair value of these loans as at 31 December 2024 is KZT 14,782,528 thousand (31 December 2023: KZT 8,802,395 thousand).

During 2024, cash funds provided under the CDMI programme were released to Vostokmashzavod LLP, Sleipnir Technologies LLP, CA International LLP, and Silumin of Qazaqstan LLP, for a total of KZT 14,409,900 thousand (2023: Kazpoligraph LLP, Talas Investment Company LLP, Alit Holding LLP, Kaspi Munay Kapital LLP, Kazakhstanskiy zavod goryachego tsinkovaniya LLP, and Kazakhstanskiye truboprovodnyye sistemy LLP, for a total of KZT 13,665,000 thousand).

12 Loans to customers

	31 December 2024 KZT'000	31 December 2023 KZT'000
Loans to customers measured at amortised cost	20,431,865	16,716,223
Loss allowance for expected credit losses	(853,928)	(724,245)
Total	**19,577,937**	**15,991,978**
POCI-assets		
Green Capital Kazakhstan LLP	3,972,319	-
Total POCI-assets	**3,972,319**	**-**
Total loans to customers measured at amortised cost	**23,550,256**	**15,991,978**

As at 31 December 2024, the Group had no outstanding balances on loans to customers that exceeded 10% of equity (31 December 2023: had no outstanding balances on loans to customers that exceeded 10% of equity).

During 2024, the Group issued loans to customers in the amount of KZT 10,648,972 thousand with interest rates from 8% to 16% per annum and maturity in 2029-2032. At initial recognition, these loans were recognised at fair value, calculated by discounting the contractual cash flows of the loans using a market discount rate of 13.68% to 16.95% per annum. The Group recognised a loss in the form of discount on initial recognition in the amount of KZT 2,480,343 thousand and income from the utilisation of a government grant in the amount of KZT 502,973 thousand (Note 15). Income in the amount of KZT 502,973 thousand was recognised on a loan issued to Green Capital Kazakhstan LLP, with a nominal value of KZT 4,000,000 thousand, bearing an interest rate of 10.75% per annum. The loan was issued in accordance with the terms of the state programme for financing investment projects in the agro-industrial complex (AIC), developed on the basis of the Employment Road Map 2020-2021 programme. This loan was initially recognised at fair value using a market discount rate of 14.25%.

During 2023, the Group issued loans to customers in the amount of KZT 12,937,000 thousand with interest rates from 8% to 12.06% per annum and maturity in 2024-2030. At initial recognition, these loans were recognised at fair value, calculated by discounting the contractual cash flows of the loans using a market discount rate of 12.95% to 16.15% per annum. The Group recognised a loss in the form of discount on initial recognition in the amount of KZT 2,054,791 thousand and income from the utilisation of a government grant in the amount of KZT 232,349 thousand (Note 15). Income in the amount of KZT 232,349 thousand was recognised on a loan issued to Altai Mai LLP with a nominal value of KZT 4,000,000 thousand, bearing an interest rate of 10.8% per annum. The loan was issued in accordance with the terms of the state programme for financing investment projects in the agro-industrial complex (AIC), developed on the basis of the Employment Road Map 2020-2021 programme. The loan was initially recognised at fair value using a market discount rate of 13.66%.

The Group used the following assumptions to determine market interest rates on the dates of initial recognition of loans issued:

- risk-free interest rates were determined based on the yield of long-term bonds issued by the Ministry of Finance of the Republic of Kazakhstan;
- a credit risk premium of the industry.

The following tables show reconciliations from the opening to the closing balances of the ECL allowance on loans to customers:

	2024		
KZT'000	**12-month expected credit losses (Stage 1)**	**Lifetime ECL for assets that are not credit-impaired (Stage 2)**	**Total**
Balance at the beginning of the reporting period	313,465	410,780	724,245
Transfer to Stage 1	26,608	(26,608)	-
Net change in allowance for expected credit losses	86,695	42,988	129,683
Balance at the end of the reporting period	**426,768**	**427,160**	**853,928**

	2023		
KZT'000	**12-month expected credit losses (Stage 1)**	**Lifetime ECL for assets that are not credit-impaired (Stage 2)**	**Total**
Balance at the beginning of the reporting period	170,773	-	170,773
Transfer to Stage 2	(80,284)	80,284	-
Net change in allowance for expected credit losses	222,976	330,496	553,472
Balance at the end of the reporting period	**313,465**	**410,780**	**724,245**

Land plots and immovable properties were provided as collateral to secure these loans, or these loans were insured by the insurance companies rated BB+ to B+.

During 2024, due to improvement in the financial position, the loans of a borrower with a total book value of KZT 444,449 were transferred from stage 2 to stage 1 of the credit risk grading, which entailed a further decrease in the allowance for expected credit losses by KZT 105,045 thousand.

During 2023, due to deterioration in the financial position, the loans of two borrowers with a total book value of KZT 1,885,461 were transferred from stage 1 to stage 2 of the credit risk grading, which entailed a further increase in the allowance for expected credit losses by KZT 330,496 thousand.

The Concept of Development of the Manufacturing Industry (CDMI)

As at 31 December 2024, loans issued to customers measured at amortised cost included loans with a nominal value of KZT 5,355,000 thousand and the interest rate of 8% per annum, provided to implement the CDMI programme.

As at 31 December 2023, loans issued to customers measured at amortised cost included loans with a nominal value of KZT 6,375,000 thousand and the interest rate of 8% per annum, provided to implement the CDMI programme.

The amortised cost of these loans as at 31 December 2024 is KZT 4,414,044 thousand (31 December 2023: KZT 4,708,130 thousand).

During 2024, cash funds provided under the CDMI programme were released to CA-International LLP, for a total of KZT 780,000 thousand (2023: Kazakhstanskiy zavod goryachego tsinkovaniya LLP, Kazakhstanskiye truboprovodnyye sistemy LLP and Vehicles Almaty LLP, for a total of KZT 6,375,000 thousand).

13 Investment financial assets

	31 December 2024 KZT'000	31 December 2023 KZT'000
Investment debt instruments at fair value through other comprehensive income	42,334,142	430,751
Investment debt instruments at amortised cost	5,468,996	8,192,773
Investment debt instruments at fair value through profit or loss	51,227	73,072
Total investment financial assets	**47,854,365**	**8,696,596**

	31 December 2024 KZT'000	31 December 2023 KZT'000
Investment financial assets at fair value through other comprehensive income		
Development Bank of Kazakhstan JSC	18,589,319	-
Samruk-Kazyna JSC	7,903,984	-
NC KazMunayGas JSC	7,712,546	-
Tecngizchevroil LLP	7,654,626	-
Ministry of Finance of Republic of Kazakhstan	473,667	430,751
Total investment financial assets at fair value through other comprehensive income	**42,334,142**	**430,751**

As at 31 December 2024 and 31 December 2023, investment debt instruments measured at fair value through other comprehensive income are classified as Stage 1 credit risk. As at 31 December 2024, the allowance for expected credit losses on these assets is KZT 181,659 thousand (31 December 2023: the allowance for expected credit losses is not significant and has not been recognised in these consolidated financial statements).

	31 December 2024 KZT'000	31 December 2023 KZT'000
Investment financial assets at amortised cost		
Home Credit Bank JSC	2,162,168	2,150,155
Ministry of Finance of Republic of Kazakhstan	-	2,217,821
Eurasian Development Bank	-	1,009,685
Total	**2,162,168**	**5,377,661**
POCI-assets		
First Heartland Jusan Bank JSC	3,306,828	2,815,112
Total POCI-assets	**3,306,828**	**2,815,112**
Total investment financial assets at amortised cost	**5,468,996**	**8,192,773**

As at 31 December 2024 and 31 December 2023, investment debt instruments carried at amortised cost are classified as Stage 1 credit risk, with the exception of bonds of First Heartland Jusan Bank JSC, which relate to instruments that were credit-impaired on initial recognition. As at 31 December 2024 and 31 December 2023, the allowance for expected credit losses on these assets is not significant and has not been recognised in these consolidated financial statements.

As at 31 December 2024 and 31 December 2023, investment debt instruments measured at fair value through profit or loss comprised corporate bonds with maturity until 2032 and a nominal rate of 0.01%.

14 Debt securities issued

As at 31 December 2024, issued debt securities for a total of KZT 40,150,736 thousand (31 December 2023: KZT 40,150,736 thousand) comprise unquoted bonds repayable on demand, with a coupon interest of 0.01% per annum. The maturity period of the bonds is 15 years. The funds raised were allocated for acquisition of a 50% ownership interest in AstanaGas KMG JSC (Note 11).

To finance agro-industrial complex projects as part of the Employment Roadmap for 2020-2021, the Board of Directors of the Group, by their decision of 29 June 2021 (the Minutes No.10/21), approved the terms of a bond issue, released in two bond tranches, for a total of KZT 33,700,000 thousand. On 27 October 2021, Baiterek NMH JSC and the Group entered into a transaction on Kazakhstan Stock Exchange to purchase and sell the Group's bonds under the first bond tranche for a total of KZT 12,800,000 thousand; the bonds have maturity of 10 years and bear a fixed interest rate of 7.1% per annum. The effective interest rate on the bonds was 11.76% per annum. The carrying amount of the liabilities on the issued bonds as at 31 December 2024 was KZT 10,255,207 thousand (31 December 2023: KZT 10,005,236 thousand).

15 Government grants

	2024 KZT'000	2023 KZT'000
Balance at the beginning of the year	**1,888,569**	**2,344,860**
Utilisation of government grants	(502,973)	(945,041)
Increase in government grant liability	-	712,692
Amortisation of the government grant	(192,385)	(223,942)
Balance at the end of the year	**1,193,211**	**1,888,569**

The Group recognised as a liability on government grants the amount of benefits provided by means of the bond issue (Note 14) for the purposes of implementing the government programme "Employment Roadmap 2020-2021". The Group has an obligation to allocate benefits to the end - borrowers through setting low interest rate on loans.

During 2024, the Group recognised the use of the government grant of KZT 502,673 thousand, intended for financing Green Capital Kazakhstan LLP.

During 2023, the Group recognised the use of the government grant of KZT 712,692 thousand, intended for financing Prima Kus LLP, and subsequently increased the government grant liabilities by the same amount, due to the Group's early exit from this investment.

16 Other liabilities

	2024 KZT'000	2023 KZT'000
Accounts payable	784,531	741,200
Employee benefit liabilities	325,033	251,285
Other taxes and obligatory payments	30,280	105,783
Other liabilities	52,950	55,636
Total	**1,192,794**	**1,153,904**

17 Share capital

(a) Issued capital

As at 31 December 2024, the authorised share capital comprises 55,000,000 ordinary shares (31 December 2023: 55,000,000). Issued and paid-up share capital comprises 53,635,003 ordinary shares (31 December 2023: 53,585,003).

During the period ended 31 December 2024, the Parent Company placed 50,000 ordinary shares, with a total value of KZT 50,000,000 thousand, in accordance with the resolution of the Board of Directors (the Minutes No. 02/24 dated 29 August 2024). The nominal value per share is KZT 1,000,000.

During the period ended 31 December 2023, the Parent Company placed 35,000 ordinary shares, with a total value of KZT 35,000,000 thousand, in accordance with the resolution of the Board of Directors (the Minutes No. 02/23 dated 23 February 2023). The nominal value per share is KZT 1,000,000.

Statement of changes in share capital

In 2022, one (1) ordinary share with a nominal value of KZT 5,000,000,000 was placed.

In 2021, decision was made to place two (2) ordinary shares with a nominal value of KZT 19,269,423,000 and KZT 1,052,307,000, respectively, as a result of purchase of the shares of subsidiaries.

In 2014, there were placed 500,000 ordinary shares with a nominal value of KZT 40,000.

In 2013, there were placed 10,000 ordinary shares with a nominal value of KZT 40,000.

In 2009, the Parent Company placed 52,040,000 ordinary shares with a nominal value of KZT 1,000, and 1,000,000 ordinary shares with a nominal value of KZT 15,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at annual and general meetings of the Parent Company.

(b) Dividends

In accordance with Kazakhstan legislation the Parent Company's distributable reserves are limited to the balance of retained earnings as recorded in the financial statements prepared in accordance with IFRS, or net profit for the current year if there is an accumulated loss brought forward. A distribution cannot be made if this would result in negative equity or the Parent Company’s insolvency. In accordance with the legislation of the Republic of Kazakhstan, as at the reporting date, total distributable reserves amounted to KZT 67,676,399 thousand (31 December 2023: KZT 68,198,199 thousand).

During 2024, dividends for a total of KZT 2,676,035 thousand were declared and paid, amounting to KZT 49.94 per share (in 2023: dividends for a total of KZT 1,775,718 thousand were declared and paid, amounting to KZT 33.14 per share).

(b) Carrying value of ordinary shares

According to the Listing Rules of Kazakhstan Stock Exchange the Group discloses the carrying amount of ordinary shares:

	31 December 2024 KZT’000	**31 December 2023 KZT’000**
Carrying value of ordinary shares	4.91	3.98

The carrying amount of an ordinary share as at 31 December 2024 is estimated as the amount of consolidated capital decreased by the amount of intangible assets that the Group would be unable to sell to third parties in the amount of KZT 263,502,801 thousand (31 December 2023: KZT 213,373,693 thousand), divided by the number of outstanding ordinary shares of 53,635,003 (31 December 2023: 53,585,003 shares).

18 Financial instruments and risk management

Management of risk is fundamental to the Group’s business and forms an essential element of the Group’s operations. The major risks faced by the Group are those related to market risk, credit risk and liquidity risk.

(a) Risk management policies and procedures

The risk management policies aim to identify, analyse and manage the risks faced by the Group, 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 and emerging best practice.

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

The Management Board is responsible for monitoring and implementing risk mitigation measures and ensuring that the Group operates within established risk parameters. The Head of the Risk Department is responsible for the overall risk management and compliance functions, ensuring the implementation of common principles and methods for identifying, measuring, managing and reporting both financial and non-financial risks. He reports directly to the Chairman of Management Board and indirectly to the Board of Directors.

Both external and internal risk factors are identified and managed throughout the Group.

(b) Market risk

Market risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices and foreign currency rates.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may also reduce or create losses in the event that unexpected movements occur.

The table below displays average effective interest rates for interest-bearing assets and liabilities as at 31 December 2024 and 31 December 2023.

Average effective interest rates

These interest rates are an approximation of the yields to maturity of these assets and liabilities.

	2024		2023	
	Average effective interest rate,%		Average effective interest rate,%	
	KZT	USD	KZT	USD
Interest-bearing assets				
Cash and cash equivalents	14.85	1.43	14.26	0.72
Assets at fair value through profit or loss:				
- Debt instruments	16.65	-	15.66	-
Loans to customers	14.66	-	14.75	-
Investment financial assets	6.54	4.49	7.58	4.3
Interest-bearing liabilities				
Debt securities issued	8.10	-	11.8	-

An analysis of sensitivity of net profit or loss and equity as a result of changes in the fair value of investment financial assets due to changes in the interest rates (based on positions existing as at 31 December 2024 and 2023 and a simplified scenario of a 100 bp symmetrical fall or rise in all yield curves) is as follows:

	31 December 2024 KZT'000	**31 December 2023 KZT'000**
100 bp parallel rise	1,093,302	44,176
100 bp parallel fall	(1,158,270)	(53,291)

(ii) Currency risk

The Group has assets and liabilities denominated in several foreign currencies. Currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

The following table shows the foreign currency exposure structure of financial assets and liabilities as at 31 December 2024:

KZT'000	**USD**	**EUR**	**KZT**	**Total**
ASSETS				
Cash and cash equivalents	2,812,834	2	36,115,264	38,928,100
Assets at fair value through profit or loss:				
- Debt instruments	-	-	53,421,151	53,421,151
Loans to customers	-	-	23,550,256	23,550,256
Investment financial assets	42,334,142	-	5,520,223	47,854,365
Other financial assets	-	-	3,898	3,898
Total financial assets	**45,146,976**	**2**	**118,610,792**	**163,757,770**
LIABILITIES				
Debt securities issued	-	-	(50,405,943)	(50,405,943)
Other financial liabilities	-	-	(52,746)	(52,746)
Total financial liabilities	**-**	**-**	**(50,458,689)**	**(50,458,689)**
Net position	**45,146,976**	**2**	**68,152,103**	**113,299,081**

The following table shows the foreign currency exposure structure of financial assets and liabilities as at 31 December 2023:

KZT'000	**USD**	**EUR**	**KZT**	**Total**
ASSETS				
Cash and cash equivalents	12,349,659	45	56,603,602	68,953,306
Assets at fair value through profit or loss:				
- Debt instruments	-	-	20,131,729	20,131,729
Loans to customers	-	-	15,991,978	15,991,978
Investment financial assets	2,648,571	-	6,048,025	8,696,596
Other financial assets	-	-	5,130	5,130
Total financial assets	**14,998,230**	**45**	**98,780,464**	**113,778,739**
LIABILITIES				
Debt securities issued	-	-	(50,155,972)	(50,155,972)
Other financial liabilities	-	-	(10,396)	(10,396)
Total financial liabilities	**-**	**-**	**(50,166,368)**	**(50,166,368)**
Net position	**14,998,230**	**45**	**48,614,096**	**63,612,371**

A weakening of the KZT, as indicated below, against USD at 31 December 2024 and 31 December 2023, would have increased equity and profit or loss (a strengthening of the KZT - would have decreased equity and profit or loss) by the amounts shown below:

	31 December 2024 KZT'000	**31 December 2023 KZT'000**
20% appreciation of USD against KZT	7,223,516	2,399,717

This analysis is on net of tax basis and is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular, interest rates, remain constant.

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Other price risk arises from the Group's investments in private equity funds, whose valuation is based on the valuation of the underlying portfolio companies of those private equity funds.

The Group invests in such financial assets in order to take advantage of their long-term growth. All investments present a risk of loss of capital. All of the private equity funds and their underlying investments are subject to the risks inherent in their industries. Moreover, established markets do not exist for these holdings, and they are therefore considered illiquid.

The Group mainly relies on management of the private equity funds in mitigation of the price risk. Management of the private equity funds moderates this risk through careful selection and review of the business and operational matters before the investment decision are implemented. They also maintain regular contact with management of the underlying companies. The performance of management of the private equity funds are reported to the Group on a quarterly basis. As at 31 December 2024 these reports on performance of the private equity funds management for the 3rd quarter of 2024 are accessible for the Group.

The sensitivity of equity and profit or loss to changes in fair value of investments in private equity funds, which depends on the adjusted net assets amount is disclosed in Note 25.

(d) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group has policies and procedures for the management of credit exposures (both for recognised financial assets and unrecognised contractual liabilities), including guidelines to limit portfolio concentration and the establishment of an Investment Committee, which actively monitors credit risk. The investment policy is reviewed and approved by the Management Board.

The maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets in the consolidated statement of financial position and unrecognised contractual commitment amounts. The impact of the possible netting of assets and liabilities to reduce potential credit exposure is not significant. The maximum exposure to credit risk from financial assets at the reporting date is as follows:

	31 December 2024 KZT'000	31 December 2023 KZT'000
ASSETS		
Cash and cash equivalents	38,928,100	68,953,306
Assets measured at fair value through profit or loss:	-	-
- debt instruments	53,421,151	20,131,729
Loans to customers	23,550,256	15,991,978
Investment financial assets	47,854,365	8,696,596
Other financial assets	3,898	5,130
Total maximum exposure	**163,757,770**	**113,778,739**

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Group's consolidated statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the consolidated statement of financial position.

Similar agreements include derivative clearing agreements, global master repurchase agreements, and global master securities lending agreements. Similar financial instruments include derivatives, sales and repurchase agreements, reverse sale and repurchase agreements, and securities borrowing and lending agreements. Information on the financial instruments such as loans and deposits is not disclosed in the tables below, except for the cases when they are offset in the consolidated statement of financial position.

The above ISDA and similar master netting arrangements do not meet the criteria for offsetting in the consolidated statement of financial position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group or the counterparties. In addition, the Group and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The table below shows financial assets and financial liabilities subject to enforceable master netting arrangements and similar arrangements as at 31 December 2024:

KZT'000 Types of financial assets/liabilities	**Gross amounts of recognised financial asset/liability**	**Gross amounts of recognised financial assets/liabilities offset in the consolidated statement of financial position**	**Net amount of financial asset/liability presented in the consolidated statement of financial position**	**Related amounts not offset in the consolidated statement of financial position**		**Net amount**
				Financial instruments (including non-cash collateral)	**Cash collateral (received)/pledged**	
Financial assets						
Reverse repurchase agreements with original maturities of less than three months	32,396,504	-	32,396,504	32,396,504	-	-

The table below shows financial assets and financial liabilities subject to enforceable master netting arrangements and similar arrangements as at 31 December 2023:

KZT'000 Types of financial assets/liabilities	**Gross amounts of recognised financial asset/liability**	**Gross amounts of recognised financial assets/liabilities offset in the consolidated statement of financial position**	**Net amount of financial asset/liability presented in the consolidated statement of financial position**	**Related amounts not offset in the consolidated statement of financial position**		**Net amount**
				Financial instruments (including non-cash collateral)	**Cash collateral (received)/pledged**	
Financial assets						
Reverse repurchase agreements with original maturities of less than three months	38,073,443	-	38,073,443	38,073,443	-	-

The gross amounts of financial assets and financial liabilities and their net amounts as presented in the consolidated statement of financial position that are disclosed in the above tables are measured in the consolidated statement of financial position on the following basis:

- Assets and liabilities resulting from sale and repurchase agreements, reverse sale and repurchase agreements and securities lending and borrowing – amortised cost.

(e) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk exists when the maturities of assets and liabilities do not match. The matching and/or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to liquidity management. It is unusual for financial institutions ever to be completely matched since business transacted is often of an uncertain term and of different types. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group 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. The liquidity policy is reviewed and approved by the Management Board.

The Group is committed and invests in private equity funds that are not traded in an active market and are therefore considered illiquid. On the basis of the Group's commitments, the private equity funds are able to call on such commitments from the Group with a notice period on average being 10 days. The amount of these calls may exceed the available cash and cash equivalents at any point in time.

The following tables show the maturity profile of the Group's financial liabilities as at 31 December 2024 based on contractual undiscounted payments:

KZT'000	Demand and less than 1 month	From 6 to 12 months	From 1 to 5 years	5 years and more	Total gross amount (outflow)	Carrying amount
Non-derivative liabilities						
Debt securities issued	(40,150,736)	(908,800)	(3,635,200)	(15,526,400)	(60,221,136)	(50,405,943)
Other financial liabilities	(52,746)	-	-	-	(52,746)	(52,746)
Total liabilities	**(40,203,482)**	**(908,800)**	**(3,635,200)**	**(15,526,400)**	**(60,273,882)**	**(50,458,689)**
Investment related commitments	**(7,004,784)**	**-**	**-**	**-**	**(7,004,784)**	**-**

The following tables show the maturity profile of the Group's financial liabilities as at 31 December 2023 based on contractual undiscounted payments:

KZT'000	Demand and less than 1 month	From 6 to 12 months	From 1 to 5 years	5 years and more	Total gross amount (outflow)	Carrying amount
Non-derivative liabilities						
Debt securities issued	(40,150,736)	(908,800)	(3,635,200)	(15,526,400)	(60,221,136)	(50,155,972)
Other financial liabilities	(10,396)	-	-	-	(10,396)	(10,396)
Total liabilities	**(40,161,132)**	**(908,800)**	**(3,635,200)**	**(15,526,400)**	**(60,231,532)**	**(50,166,368)**
Investment related commitments	**(11,159,266)**	**-**	**-**	**-**	**(11,159,266)**	**-**

For investment related commitments in the above tables the maximum amount of the commitment is allocated to the earliest period in which the commitment can be called.

The table below shows an analysis of financial assets and liabilities according to when they are expected to be recovered or settled as at 31 December 2024:

KZT'000	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	From 5 years and more	No maturity	Carrying amount
Non-derivative financial assets								
Cash and cash equivalents*	38,928,100	-	-	-	-	-	-	38,928,100
Assets measured at fair value through profit or loss								
- investments in joint ventures	-	-	-	-	-	-	66,868,426	66,868,426
- investments in associates	-	-	-	-	-	-	38,617,149	38,617,149
- equity instruments	-	-	-	-	-	-	48,108,727	48,108,727
- debt instruments	183,855	332,895	1,322,040	2,037,790	47,977,348	1,567,223	-	53,421,151
Loans to customers	222,224	711,852	1,355,937	2,798,330	15,367,333	3,094,581	-	23,550,257
Investment financial assets	-	-	10,561,820	2,162,168	8,025,821	27,104,556	-	47,854,365
Other financial assets	3,898	-	-	-	-	-	-	3,898
Total assets	**39,338,077**	**1,044,747**	**13,239,797**	**6,998,288**	**71,370,502**	**31,766,360**	**153,594,302**	**317,352,073**
Non-derivative financial liabilities								
Debt securities issued	(40,150,736)	-	-	(159,040)	-	(10,096,167)	-	(50,405,943)
Government grants	-	-	-	-	-	(1,193,219)	-	(1,193,219)
Other financial liabilities	(52,746)	-	-	-	-	-	-	(52,746)
Total liabilities	**(40,203,482)**	**-**	**-**	**(159,040)**	**-**	**(11,289,386)**	**-**	**(51,651,908)**
Net liquidity gap on recognised financial assets and liabilities	**(865,405)**	**1,044,747**	**13,239,797**	**6,839,248**	**71,370,502**	**20,476,974**	**153,594,302**	**265,700,165**
Investment related commitments	**7,004,784**	**-**	**-**	**-**	**-**	**-**	**-**	**7,004,784**

The table below shows an analysis of financial assets and liabilities according to when they are expected to be recovered or settled as at 31 December 2023:

KZT'000	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	From 5 years and more	No maturity	Carrying amount
Non-derivative financial assets								
Cash and cash equivalents*	61,345,396	1,500,732	45,456	6,061,722	-	-	-	68,953,306
Assets measured at fair value through profit or loss								
- investments in joint ventures	-	-	-	-	-	-	64,545,153	64,545,153
- investments in associates	-	-	-	-	-	-	31,907,356	31,907,356
- equity instruments	-	-	-	-	-	-	56,687,825	56,687,825
- debt instruments	-	331,178	1,572,271	1,555,923	13,676,422	2,995,935	-	20,131,729
Loans to customers	111,946	113,866	168,754	71,676	10,581,294	4,944,442	-	15,991,978
Investment financial assets	-	-	-	3,227,506	2,150,155	3,318,935	-	8,696,596
Other financial assets	5,130	-	-	-	-	-	-	5,130
Total assets	**61,462,472**	**1,945,776**	**1,786,481**	**10,916,827**	**26,407,871**	**11,259,312**	**153,140,334**	**266,919,073**
Non-derivative financial liabilities								
Debt securities issued	(40,150,736)	-	-	(159,040)	-	(9,846,196)	-	(50,155,972)
Government grants	-	-	-	-	-	(1,888,569)	-	(1,888,569)
Other financial liabilities	(10,396)	-	-	-	-	-	-	(10,396)
Total liabilities	**(40,161,132)**	**-**	**-**	**(159,040)**	**-**	**(11,734,765)**	**-**	**(52,054,937)**
Net liquidity gap on recognised financial assets and liabilities	**21,301,340**	**1,945,776**	**1,786,481**	**10,757,787**	**26,407,871**	**(475,453)**	**153,140,334**	**214,864,136**
Investment related commitments	**11,159,266**	**-**	**-**	**-**	**-**	**-**	**-**	**11,159,266**

* Cash and cash equivalents are disclosed in the above table according to contractual dates. These balances are free of restrictions for withdrawal and loss of interest income in case of early withdrawal or placement of additional amounts, unless the minimum required balance is withdrawn which is immaterial in relation to the Group's balance and deposit balance.

19 Capital management

The Group is not subject to externally imposed capital requirements.

The Group defines capital as total equity. The Group's objective of capital management is to safeguard the ability of the Group to continue as a going concern in order to provide a return to shareholders and to provide a strong capital base to support the investment activities of the Group.

20 Segments

The Group's operations are highly integrated and constitute a single business segment for the purposes of IFRS 8 *Segment Reporting*. The Group's assets are concentrated in the Republic of Kazakhstan and Group generates profit from its operations mostly in the Republic of Kazakhstan. The Chief Operating Decision Maker, in the case of the Group, the Chairman of Management Board, only receives and reviews the information on the Group as a whole.

21 Investment related commitments

The contractual amounts of investment related commitments are set out in the following tables:

	2024 **KZT'000**
Funds carrying out active investment activities	
Da Vinci Emerging Technologies Fund III L.P.	4,659,493
Quest Ventures Asia Fund II L.P.	496,602
Funds with completed investment period	
Kazakhstan Infrastructure Fund C.V.	1,158,582
Kazakhstan Hungarian Investment Private Equity Fund C.V.	312,389
CITIC Kazyna Investment Fund I L.P.	249,205
Kazakhstan Growth Fund L.P.	64,689
Kazakhstan Capital Restructuring Fund C.V.	32,802
Falah Growth Fund L.P.*	31,022
	7,004,784

*the Fund is in the process of liquidation; fair value of investments is KZT 0.

	2023 **KZT'000**
Funds carrying out active investment activities	
Da Vinci Emerging Technologies Fund III L.P.	4,045,573
Kazakhstan Hungarian Investment Private Equity Fund C.V.	2,978,055
Quest Ventures Asia Fund II L.P.	617,173
Funds with completed investment period	
Kazakhstan Infrastructure Fund C.V.	1,181,686
CITIC Kazyna Investment Fund I L.P.	909,120
Falah Growth Fund L.P.*	454,560
VTB Capital I2 BF Innovation Fund L.P.*	454,560
Kazakhstan Capital Restructuring Fund C.V.	416,263
Kazakhstan Growth Fund L.P.	102,276
	11,159,266

*the Fund is in the process of liquidation; fair value of investments is KZT 0.

For private equity funds that carry out active investment activity, contingent liabilities comprise contractual commitments to provide funds for financing investees selected by the general partners of such funds. For private equity funds with completed investment period, contingent liabilities comprise contractual commitments to finance their operations until the scheduled date of liquidation.

In accordance with the foundation agreements of the private equity funds, in case of failure to pay the amount of capital commitments after the general partner issues a request for payment, certain sanctions may be applied against the Group including delaying the payment of interest, suspension of income distributions, suspension of rights to participate in the corporate management of funds and forced sale of the Group's share to co-investors or third parties. As at 31 December 2024 and 2023 the Group had no overdue investment commitments.

As at 31 December 2024, an invoice for payment of a management fee of USD 63,176 was issued to Quest Ventures Asia Fund II L.P. This commitment has been offset in full against the amounts distributable to the Group at the expense of return on investment, and currently, there are no outstanding commitments.

22 Lease

Leases as lessee

The Group leases an item of property for a term of up to one year. This lease is short-term and the Group has elected not to recognise right-of-use assets and lease liabilities for this lease.

During 2024, the Group recognised expense on operating leases of KZT 286,402 thousand (2023: KZT 219,054 thousand) within general and administrative expenses.

23 Contingencies

(a) Insurance

The insurance industry in the Republic of Kazakhstan is in a developing state and many forms of insurance protection common in other parts of the world are not yet generally available. The Group does not have full coverage for its plant facilities, business interruption, or third-party liability in respect of property or environmental damage arising from accidents on Group's property or relating to Group's operations. Until the Group obtains adequate insurance coverage, there is a risk that the loss or destruction of certain assets could have a material adverse effect on the Group's operations and financial position.

(b) Taxation contingencies in Kazakhstan

The taxation system in the Republic Kazakhstan is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities, in particular recognition of income, expenses and other items of the consolidated financial statements under IFRS. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year generally remains open for review by the tax authorities for five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

These circumstances may create tax risks in the Republic of Kazakhstan that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

24 Related party transactions

(a) Control relationship

The Group's Parent Company is Baiterek National Managing Holding JSC. The Group is ultimately controlled by the Government of the Republic of Kazakhstan.

(b) Transactions with the members of the Board of Directors and the Management Board

Total remuneration included in personnel expenses for the year ended 31 December 2024 and 2023 is as follows:

	2024 KZT'000	**2023 KZT'000**
Members of the Management Board	228,594	234,889
Members of the Board of Directors	52,639	49,052
Total	**281,233**	**283,941**

These amounts include cash and non-cash remuneration of the members of the Board of Directors and the Management Board.

(c) Transactions with other related parties

The Group transacts with a number of entities that are controlled by the Government of Kazakhstan. The Group applies the exemption in IAS 24 Related party disclosures that allows to present reduced related party disclosures regarding transactions with government-related entities. Other related parties include state-controlled companies, national companies and subsidiaries of national companies.

The outstanding balances and the related average effective interest rates as at 31 December 2024 and related profit or loss amounts of transactions for the year ended 31 December 2024 with other related parties are as follows:

	Parent Company		Investments in joint ventures		Investments in associates		Other subsidiaries of the Parent Company		Entities controlled by the Government of the Republic of Kazakhstan		Total
	’000 KZT	Nominal average interest rate,%	KZT‘000	Nominal average interest rate, %	’000 KZT	Nominal average interest rate,%	KZT‘000	Nominal average interest rate,%	KZT‘000	Nominal average interest rate,%	KZT‘000
Consolidated statement of financial position as at 31 December 2024											
Assets											
Cash and cash equivalents	-	-	-	-	-	-	109,255	-	32,396,504	14.9	32,505,759
Assets measured at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
- *Investments in joint ventures*	-	-	66,868,426	-	-	-	-	-	-	-	66,868,426
- *Investments in associates*	-	-	-	-	38,617,149	-	-	-	-	-	38,617,149
- *Equity instruments*	-	-	-	-	-	-	1,182,248	-	-	-	1,182,248
- *Debt instruments*	-	-	1,422,022	12.0	759,907	10.0	-	-	-	-	2,181,929
Loans to customers	-	-	6,205,473	9.1	-	-	-	-	-	-	6,205,473
Investment financial assets	-	-	-	-	-	-	18,589,318	5.6	16,150,571	3.7	34,739,889
Liabilities											
Debt securities issued	(10,255,207)	7.1	-	-	-	-	-	-	(40,150,736)	0.01	(50,405,943)
Government grants	-	-	-	-	-	-	-	-	(1,193,219)	-	(1,193,219)
Other financial liabilities	-	-	-	-	-	-	(19,692)	-	-	-	(19,692)

	Parent Company		Investments in joint ventures		Investments in associates		Other subsidiaries of the Parent Company		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	**Nominal average interest rate,%**	**KZT'000**	**Nominal average interest rate,%**	**KZT'000**	**Nominal average interest rate,%**	**KZT'000**	**Nominal average interest rate,%**	**KZT'000**	**Nominal average interest rate,%**	**KZT'000**
Consolidated statement of profit or loss and other comprehensive income											
Interest income calculated using the effective interest rate method	-	-	746,277	-	-	-	1,249,948	-	6,406,621	-	8,402,846
Other interest income	-	-	233,266	-	77,151	-	-	-	-	-	310,417
Interest expense	(1,158,771)	-	-	-	-	-	-	-	(4,014)	-	(1,162,785)
Net (loss)/gain on financial instruments at fair value through profit or loss	-	-	(2,843,272)	-	7,571,717	-	(634,999)	-	-	-	4,093,446
Net foreign exchange gain/(loss)	-	-	-	-	-	-	-	-	1,388,194	-	1,388,194
General and administrative expenses	-	-	-	-	-	-	(1,030,390)	-	-	-	(1,030,390)
Income from use of government grants	-	-	-	-	-	-	-	-	(192,385)	-	(192,385)
Other (expense)/income	-	-	-	-	-	-	1,344,865	-	-	-	1,344,865

The outstanding balances and the related average effective interest rates as at 31 December 2023 and related profit or loss amounts of transactions for the year ended 31 December 2023 with other related parties are as follows:

	Parent Company		Investments in joint ventures		Investments in associates		Other subsidiaries of the Parent Company		Entities controlled by the Government of the Republic of Kazakhstan		Total
	KZT'000	Nominal average interest rate,%	KZT'000	Nominal average interest rate, %	'000 KZT	Nominal average interest rate,%	KZT'000	Nominal average interest rate,%	KZT'000	Nominal average interest rate,%	KZT'000
Consolidated statement of financial position as at 31 December 2023											
Assets											
Cash and cash equivalents	-	-	-	-	-	-	11,593,599	-	38,073,443	15.2	49,667,042
Assets measured at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-
- *Investments in joint ventures*	-	-	64,545,153	-	-	-	-	-	-	-	64,545,153
- *Investments in associates*	-	-	-	-	31,907,356	-	-	-	-	-	31,907,356
- *Equity instruments*	-	-	-	-	-	-	1,542,853	-	-	-	1,542,853
- *Debt instruments*	-	-	1,966,040	11.6	593,206	10.0	-	-	-	-	2,559,246
Loans to customers	-	-	4,911,063	8.1	-	-	-	-	-	-	4,911,063
Investment financial assets	-	-	-	-	-	-	-	-	2,648,572	4.3	2,648,572
Liabilities											
Debt securities issued	(10,005,236)	7.1	-	-	-	-	-	-	(40,150,736)	0.01	(50,155,972)
Government grants	-	-	-	-	-	-	-	-	(1,888,569)	-	(1,888,569)
Other financial liabilities	-	-	-	-	-	-	(18,270)	-	-	-	(18,270)

	Parent Company		**Investments in joint ventures**		**Investments in associates**		**Other subsidiaries of the Parent Company**		**Entities controlled by the Government of the Republic of Kazakhstan**		**Total**
	KZT‘000	**Nominal average interest rate,%**	**KZT‘000**	**Nominal average interest rate, %**	**’000 KZT**	**Nominal average interest rate,%**	**KZT‘000**	**Nominal average interest rate,%**	**KZT‘000**	**Nominal average interest rate,%**	**KZT‘000**
Consolidated statement of profit or loss and other comprehensive income											
Interest income calculated using the effective interest rate method	-	-	71,473	-	-	-	1,956,223	-	7,309,407	-	9,337,103
Other interest income	-	-	311,921	-	70,142	-	-	-	-	-	382,063
Interest expense	(1,132,467)	-	-	-	-	-	-	-	(4,015)	-	(1,136,482)
Net (loss)/gain on financial instruments at fair value through profit or loss	-	-	780,111	-	(1,865,126)	-	-	-	-	-	(1,085,015)
Net foreign exchange gain/(loss)	-	-	-	-	-	-	-	-	(39,954)	-	(39,954)
Net (loss)/gain on investment financial assets	-	-	-	-	-	-	-	-	(52,261)	-	(52,261)
General and administrative expenses	-	-	-	-	-	-	(839,009)	-	-	-	(839,009)
Income from use of government grants									(223,942)		(223,942)
Other (expense)/income	(57,833)	-	-	-	-	-	5,108	-	-	-	(52,725)

The majority of balances resulting from transactions with related parties mature within one year. Transactions with related parties are not secured.

25 Fair values of financial instruments

(a) Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2024 are as follows:

KZT'000	Financial instruments at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Total carrying amount	Fair value
31 December 2024						
Financial assets measured at fair value						
Debt instruments	53,421,151	-	42,334,142	-	95,755,293	95,755,293
Equity instruments	153,594,302	-	-	-	153,594,302	153,594,302
	207,015,453	**-**	**42,334,142**	**-**	**249,349,595**	**249,349,596**
Financial assets not measured at fair value						
Cash and cash equivalents	-	38,928,100	-	-	38,928,100	38,928,100
Debt securities	-	5,468,996	-	-	5,468,996	6,203,973
Loans to customers	-	23,550,256	-	-	23,550,256	23,430,919
Other financial assets	-	3,898	-	-	3,898	3,898
	-	**67,951,250**	**-**	**-**	**67,951,250**	**68,566,890**
Financial liabilities not measured at fair value						
Debt securities issued	-	-	-	50,405,943	50,405,943	50,020,016
Other liabilities	-	-	-	52,746	52,746	52,746
	-	**-**	**-**	**50,458,689**	**50,458,689**	**50,072,762**

The carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2023 are as follows:

KZT'000	Financial instruments at fair value through profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Financial liabilities at amortised cost	Total carrying amount	Fair value
31 December 2023						
Financial assets measured at fair value						
Debt instruments	20,204,801	-	430,751	-	20,635,552	20,635,552
Equity instruments	153,140,334	-	-	-	153,140,334	153,140,334
	173,345,135	**-**	**430,751**	**-**	**173,775,886**	**173,775,886**
Financial assets not measured at fair value						
Cash and cash equivalents	-	68,953,306	-	-	68,953,306	68,972,580
Debt securities	-	8,192,773	-	-	8,192,773	8,408,979
Loans to customers	-	15,991,978	-	-	15,991,978	15,991,978
Other financial assets	-	5,130	-	-	5,130	5,130
	-	**93,143,187**	**-**	**-**	**93,143,187**	**93,378,667**
Financial liabilities not measured at fair value						
Debt securities issued	-	-	-	50,155,972	50,155,972	49,996,932
Other liabilities	-	-	-	10,396	10,396	10,396
	-	**-**	**-**	**50,166,368**	**50,166,368**	**50,007,328**

(b) Fair value hierarchy

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgment, the fair value should not be interpreted as being realisable in an immediate sale of the assets or settlement of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: inputs other than quotes prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument’s valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect difference between the instruments.

The Group has introduced a control framework with respect to the measurement of fair values. This framework implies engagement of independent certified appraiser at each reporting date to measure fair value of investments categorised into Level 3 in the fair value hierarchy.

Specific controls include:

- verification of observable pricing;
- a review and approval process for new models and changes to models;
- analysis of the need to make changes to models based on the observed market transactions;
- a review of significant unobservable inputs and significant changes to the fair value measurement compared to previous period.

The table below analyses financial instruments measured at fair value at 31 December 2024, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated statement of financial position:

KZT‘000	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets measured at fair value through profit or loss				
- Investments in joint ventures	-	-	66,868,426	66,868,426
- Investments in associates	-	-	38,617,149	38,617,149
- Equity instruments	-	-	48,108,727	48,108,727
- Debt instruments	-	-	53,421,151	53,421,151
Investment financial assets	42,334,142	-	51,227	42,385,369
	42,334,142	-	**207,066,680**	**249,400,822**

The table below analyses financial instruments measured at fair value at 31 December 2023, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the consolidated statement of financial position:

KZT'000	Level 1	Level 2	Level 3	Total
Assets measured at fair value through profit or loss				
- Investments in joint ventures	-	-	64,545,153	64,545,153
- Investments in associates	-	-	31,907,356	31,907,356
- Equity instruments	-	-	56,687,825	56,687,825
- Debt instruments	-	-	20,131,729	20,131,729
Investment financial assets	430,751	-	73,072	503,823
	430,751	-	**173,345,135**	**173,775,886**

To measure fair value of investment financial assets categorised as Level 1 in the fair value hierarchy as at 31 December 2024 and 31 December 2023, the Group used their quoted prices based on Kazakhstan Stock Exchange data.

To measure fair value of investments categorised as Level 3 in the fair value hierarchy as at 31 December 2024 and 31 December 2023, the Group engaged an independent certified appraiser. A valuation technique and professional judgements of the independent appraiser are based on particular characteristics of financial instruments measured, terms and conditions of the contracts concluded between the Group and investee, and available market information.

The Group's investments in unquoted equity instruments measured at fair value through profit or loss and categorised as Level 3 in the fair value hierarchy include:

- contributions in charter capitals of direct portfolio companies that are ultimate investees of the Group; and
- investments in portfolio private equity funds that are intermediaries for investments in such portfolio companies.

Equity investments in direct portfolio companies require conclusion of option agreements with such companies (put option and call options) that regulate possible terms and time of divestment of the Group from charter capitals of such companies (Note 11).

Management of the Group assesses if the concluded put and/or call options can be exercised as at each reporting date based on the forecast whether an obligated parties under the option agreements, including their guarantors, hold required cash, and takes into consideration its own plans for divestment from charter capital of each portfolio company (presentation for exercise of a put option or sale to third parties).

If a put and/or call option cannot be exercised or the Group intends to divest from the investee through sale to third parties on arm's length basis, fair value of such investment is measured using the DCF model based on the projected volumes of sales, prices, cost of sale, capital expenditures and EBITDA margin. The discount rate is calculated based on market data from publicly available sources, information on loans to investees and industry average capital structure ratios.

In other cases, fair value of such investment is measured using the method of discounted cash flow projected on the basis of the option agreement schedule. The discount rate is estimated based on measurement of weighted average cost of capital.

Equity investments in private equity portfolio funds are measured at fair value of the Group's share in ultimate investees and residual net assets of each fund determined based on information from up-to-date reports of the general partner of such fund. As a cross check, fair values of significant investments as reported by the funds are reviewed by calculating multipliers for quoted equity investments with similar parameters, and other available information on significant investees and market transactions with their equity instruments. If circumstances are identified that require remeasurement of fair value of such investments against information from the reports of general partners, the Group makes appropriate adjustments.

Investments of the Group in debt instruments measured at fair value through profit or loss and categorised as Level 3 in the fair value hierarchy comprise the loans that do not meet the SPPI criterion as they include features of conversion of an outstanding loan into charter capital, contractual covenants, etc.

Fair value of debt investments is measured using the method of discounted cash flow projected on the basis of the loan contract repayment schedule. A discount rate is calculated based on the measurement of credit risk margin for each borrower taking into account a credit rating assigned to such borrower.

The following table shows a reconciliation for the year ended 31 December 2024 for fair value measurements as Level 3 of the fair value hierarchy:

KZT'000	Joint ventures	Associates	Other equity financial assets	Other debt financial assets	Investment financial assets	Total assets measured at fair value
Balance at the beginning of the period	64,545,153	31,907,356	56,687,825	20,131,729	73,072	173,345,135
Net loss on assets stated in profit or loss	(2,454,611)	7,751,949	(8,567,595)	(3,739,176)	13,154	(6,996,279)
Additions	5,884,479	2,189,237	1,415,634	41,779,742	-	51,269,092
Disposals	(1,106,595)	(3,231,393)	(1,427,137)	(6,871,053)	(34,999)	(12,671,177)
Other interest income	-	-	-	2,119,909	-	2,119,909
Balance at the end of the period	**66,868,426**	**38,617,149**	**48,108,727**	**53,421,151**	**51,227**	**207,066,680**

The following table shows a reconciliation for the year ended 31 December 2023 for fair value measurements as Level 3 of the fair value hierarchy:

KZT'000	Joint ventures	Associates	Other equity financial assets	Other debt financial assets	Investment financial assets	Total assets measured at fair value
Balance at the beginning of the period	55,362,132	31,046,848	63,655,321	20,863,378	417,200	171,344,879
Net loss on assets stated in profit or loss	1,092,032	(1,794,984)	1,712,297	(1,030,155)	-	(20,810)
Additions	8,090,989	4,601,014	4,189,146	7,500,000	-	24,381,149
Disposals	-	(1,945,522)	(12,868,939)	(9,017,566)	(344,128)	(24,176,155)
Other interest income	-	-	-	1,816,072	-	1,816,072
Balance at the end of the period	**64,545,153**	**31,907,356**	**56,687,825**	**20,131,729**	**73,072**	**173,345,135**

The table below sets out information as at 31 December 2024 about valuation technique and significant unobservable inputs used for appraising investments in equity and debt instruments measured at fair value through profit or loss and categorised as Level 3 in the fair value hierarchy:

Type of instrument	Industries in which companies operate	Fair value KZT'000	Valuation technique	Significant unobservable inputs	Range of values	Effect from changes in significant unobservable inputs
Unquoted equity instruments – investees	Transport and logistics	44,276,728	Discounted cash flows under option agreement	Weighted average cost of capital	14.82%	Decrease in cost of capital would result in higher estimated fair value of investment
	Production	14,512,699	Discounted cash flows under option agreement, income approach	Weighted average cost of capital; EBITDA margin	16.33%-18.77%; 16.72%	Decrease in cost of capital/ increase in EBITDA would result in higher estimated fair value of investment
	Agriculture	14,840,939	Discounted cash flows under option agreement	Weighted average cost of capital	16.33%	Decrease in cost of capital would result in higher estimated fair value of investment
	Alternative energy	7,460,392	Income approach	EBITDA margin	82.43%	Increase in EBITDA would result in higher estimated fair value of investment
	Education	2,536,387	Income approach	EBITDA margin	34.60%	Increase in EBITDA would result in higher estimated fair value of investment
	Medical diagnostics	2,229,219	Discounted cash flows under option agreement	Weighted average cost of capital	16.73%	Decrease in cost of capital would result in higher estimated fair value of investment
	Tourism	246,567	Discounted cash flows under option agreement	Weighted average cost of capital	17.77%	Decrease in cost of capital would result in higher estimated fair value of investment
Unquoted equity instruments – private equity portfolio funds		66,822,360	Adjusted NAV	n/a	n/a	n/a
Unquoted equity instruments – insignificant subsidiaries		669,011	Adjusted NAV	n/a	n/a	n/a
Debt instruments		53,421,151	Discounted cash flows under loan contract	Credit risk margin	1.60%- 6.82%	Increase in credit risk would result in lower estimated fair value of investment
Total		**207,015,453**				

The table below sets out information as at 31 December 2023 about valuation technique and significant unobservable inputs used for appraising investments in equity and debt instruments measured at fair value through profit or loss and categorised as Level 3 in the fair value hierarchy:

Type of instrument	Industries in which companies operate	Fair value KZT'000	Valuation technique	Significant unobservable inputs	Range of values	Effect from changes in significant unobservable inputs
Unquoted equity instruments – investees	Transport and logistics	45,093,800	Income approach	EBITDA margin	14.59%	Increase in EBITDA would result in higher estimated fair value of investment
	Agriculture	17,107,101	Discounted cash flows under option agreement, income approach	Weighted average cost of capital; EBITDA margin	16.37%-19.02%; 10.08%-22.24%	Decrease in cost of capital/ increase in EBITDA would result in higher estimated fair value of investment
	Production	12,081,480	Discounted cash flows under option agreement, income approach	Weighted average cost of capital; EBITDA margin	16.91%-20.84%; 17.64%	Decrease in cost of capital/ increase in EBITDA would result in higher estimated fair value of investment
	Alternative energy	6,052,722	Income approach	EBITDA margin	66.38%	Increase in EBITDA would result in higher estimated fair value of investment
	Education	2,786,273	Income approach	EBITDA margin	50.28%	Increase in EBITDA would result in higher estimated fair value of investment
	Medical diagnostics	2,356,387	Discounted cash flows under option agreement	Weighted average cost of capital	16.20%	Decrease in cost of capital would result in higher estimated fair value of investment
	Tourism	183,699	Discounted cash flows under option agreement	Weighted average cost of capital	17.27%	Decrease in cost of capital would result in higher estimated fair value of investment
Unquoted equity instruments – private equity portfolio funds		67,077,674	Adjusted NAV	n/a	n/a	n/a
Unquoted equity instruments – insignificant subsidiaries		401,198	Adjusted NAV	n/a	n/a	n/a
Debt instruments		20,131,729	Discounted cash flows under loan contract	Credit risk margin	1.05%-9.60%	Increase in credit risk would result in lower estimated fair value of investment
Total		**173,272,063**				

Management of the Group believes that fair values measured as at 31 December 2024 and 31 December 2023 are reasonable and adequate, though, takes into account the fact that the use of various techniques and judgements may result in different fair value measurements.

A sensitivity analysis of fair value of investments in equity and debt instruments to changes in the said significant unobservable inputs, which the Group considers to be reasonably possible in the existing environment is summarised below. Calculations have been made assuming all other variables remain unchanged:

- for unquoted equity instruments - investees - decrease and increase in weighted average cost of capital/EBITDA margin by 1%;
- for other unquoted equity instruments - adjustment to NAV by 10%;
- for debt instruments - decrease and increase in credit risk margin by 1%.

	Effect on fair value as at 31 December 2024	
KZT'000	**Favourable**	**Unfavourable**
Unquoted equity instruments – investees		
Alternative energy	1,431,721	(895,649)
Production	755,994	(675,504)
Education	318,329	(264,335)
Agriculture	176,659	(166,590)
Transport and logistics	67,659	(65,440)
Medical diagnostics	57,606	(55,680)
Tourism	1,482	(1,461)
Unquoted equity instruments – other		
Private equity portfolio funds	6,682,236	(6,682,236)
Insignificant subsidiaries	66,901	(66,901)
Debt instruments	1,119,359	(1,080,144)
Total	**10,677,946**	**(9,953,940)**

	Effect on fair value as at 31 December 2023	
KZT'000	**Favourable**	**Unfavourable**
Unquoted equity instruments – investees		
Production	1,477,860	(1,475,400)
Agriculture	1,128,741	(991,813)
Alternative energy	999,341	(852,894)
Transport and logistics	412,070	(354,873)
Education	269,330	(232,421)
Medical diagnostics	4,567	(4,389)
Tourism	1,104	(1,088)
Unquoted equity instruments – other		
Private equity portfolio funds	6,707,767	(6,707,767)
Insignificant subsidiaries	40,120	(40,120)
Debt instruments	417,846	(401,943)
Total	**11,458,746**	**(11,062,708)**

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised as at 31 December 2024.

KZT'000	Level 2	Total fair values	Total carrying amount
Assets			
Cash and cash equivalents	38,928,100	38,928,100	38,928,100
Loans to customers	23,430,919	23,430,919	23,550,256
Investment financial assets	6,203,973	6,203,973	5,468,996
Other financial assets	3,898	3,898	3,898
Debt securities issued	(50,020,016)	(50,020,016)	(50,405,943)
Other financial liabilities	(52,746)	(52,746)	(52,746)

The following table analyses the fair value of financial instruments not measured at fair value, by the level in the fair value hierarchy into which each fair value measurement is categorised as at 31 December 2023.

KZT'000	Level 2	Total fair values	Total carrying amount
Assets			
Cash and cash equivalents	68,972,580	68,972,580	68,972,580
Loans to customers	15,991,978	15,991,978	15,991,978
Investment financial assets	8,408,979	8,408,979	8,192,773
Other financial assets	5,130	5,130	5,130
Debt securities issued	(50,155,972)	(50,155,972)	(50,155,972)
Other financial liabilities	(10,396)	(10,396)	(10,396)

Fair value of cash and cash equivalents approximates their carrying amount due to their short-term nature and high liquidity.

The fair value of unquoted fixed interest rate instruments (loans issued, bonds purchased, bonds issued) was estimated based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

26 Subsequent events

A sharp depreciation of KZT occurred during 2024, especially in the fourth quarter of 2024. Weakening of KZT as at 31 December 2024 by KZT 70.55 as compared with the exchange rate applicable on 1 January 2024 resulted in increase in profit from revaluation of foreign exchange transactions.

From the beginning of 2025 and up to date, KZT has been appreciating against USD.

The percentage of the treasury portfolio in USD is 54.10%, and that in KZT is 45.90%. Therefore, strengthening of KZT against USD by KZT 27.22 has a depreciation effect on net foreign exchange gain/(loss) items.

However, the Group controls currency risks and does not expect decrease to critical level.

The consolidated financial statements as at 31 December 2024 were approved by the Group's management on 28 February 2025.