

Agrarian Credit Corporation Joint Stock Company

Consolidated Interim Condensed Financial Statements

for the six months ended 30 June 2025

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Independent Auditors' Report on Review of Consolidated Interim Condensed Financial Information

To the Shareholder and Board of Directors of Agrarian Credit Corporation Joint Stock Company

Introduction



We have reviewed the accompanying consolidated interim condensed statement of financial position of Agrarian Credit Corporation Joint Stock Company and its subsidiary (referred to as the "Group") as at 30 June 2025, and the consolidated interim condensed statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the consolidated interim condensed financial information (the "consolidated interim condensed financial information"). Group's Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this consolidated interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial information as at 30 June 2025 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Assel Urdabayeva
Audit partner

KPMG Audit LLC

Almaty, Republic of Kazakhstan

18 August 2025

CONSOLIDATED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	<i>Note</i>	<i>30 June 2025</i> <i>(unaudited)</i>	<i>31 December 2024</i>
Assets			
Cash and cash equivalents	4	422,557,807	430,783,789
Amounts due from credit institutions		2,972,866	2,433,970
Loans to banks	5	98,810,032	78,341,329
Loans to customers	6	993,785,188	832,619,650
Finance lease receivables	7	576,674,194	553,719,699
Receivables from the Government of the Republic of Kazakhstan	13	14,897,717	37,615,232
Assets classified as held for sale		602,830	977,094
Property, plant and equipment		1,966,979	2,045,605
Intangible assets		713,836	790,858
VAT and other taxes recoverable		10,284,169	10,820,302
Current corporate income tax assets		377,395	134,115
Coupon prepayments on debt securities issued	12	52,994,585	25,836,773
Other assets	8	51,999,965	15,122,011
Total assets		2,228,637,563	1,991,240,427
Liabilities			
Amounts due to the Shareholder		86,428,261	84,563,613
Amounts due to credit institutions	9	64,666,452	82,680,223
Amounts due to the Government of the Republic of Kazakhstan	10	131,695,618	62,631,531
Amounts due to state and budget organisations	11	155,633,358	169,595,336
Debt securities issued	12	1,147,405,595	976,678,478
Current estimated liabilities		1,474,843	2,497,881
Current corporate income tax liabilities		—	2,364,381
Deferred corporate income tax liabilities		6,568,360	10,354,033
Government grants	13	100,114,610	98,446,081
Other liabilities	14	33,946,467	10,914,734
Total liabilities		1,727,933,564	1,500,726,291
Equity			
Share capital	15	428,284,724	428,284,724
Reserve capital	15	46,671,932	28,568,552
Retained earnings		25,747,343	33,660,860
Total equity		500,703,999	490,514,136
Total liabilities and equity		2,228,637,563	1,991,240,427
Carrying value of one ordinary share (KZT)	15	1,170.78	1,146.73

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

Kairat Kaertarovich Sapulatov

Deputy Chairperson of the Management Board,
member of the Management Board

Olga Arkadyevna Spivak

Chief Accountant

18 August 2025



CONSOLIDATED INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS**for the six months ended 30 June 2025**

	Note	<i>Unaudited for six months ended 30 June</i>	
		2025	2024
Interest income calculated using effective interest method			
Cash and cash equivalents		38,215,696	18,283,557
Amounts due from credit institutions		46,650	—
Loans to banks		4,936,143	2,584,059
Loans to customers		84,250,870	64,785,426
Investment securities		6	9
		127,449,365	85,653,051
Other interest income			
Finance lease receivables		40,457,834	37,561,463
		167,907,199	123,214,514
Interest expense			
Amounts due to the Shareholder		(3,933,112)	(4,250,416)
Amounts due to the Government of the Republic of Kazakhstan		(10,757,483)	(11,464,428)
Amounts due to state and budget organisations		(7,870,925)	(8,543,823)
Amounts due to credit institutions		(5,347,813)	(8,500,577)
Debt securities issued		(65,785,487)	(29,101,640)
		(93,694,820)	(61,860,884)
Net interest income		74,212,379	61,353,630
Expenses on credit losses	16	(8,164,000)	(16,855,317)
Net interest income net of expenses on credit losses		66,048,379	44,498,313
Net foreign exchange loss		853,451	(46,861)
Personnel expenses		(7,838,024)	(6,464,946)
Other administrative expenses		(3,435,234)	(3,029,912)
Net losses from modification of financial assets measured at amortised cost		(2,184,180)	(2,921,356)
Other income, net	17	5,396,260	1,132,933
Non-interest expense		(7,207,727)	(11,330,142)
Profit before income tax		58,840,652	33,168,171
Corporate income tax expense	18	(6,397,564)	(5,614,345)
Profit for the period		52,443,088	27,553,826

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

Kairat Kaertarovich Sapulatov

Olga Arkadyevna Spivak

18 August 2025

Deputy Chairperson of the Management Board,
member of the Management Board

Chief Accountant

The selected explanatory notes set out on pages 9 to 41 form an integral part of these consolidated interim condensed financial statements.

CONSOLIDATED INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2025

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	<i>Unaudited for the six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Profit for the period	52,443,088	27,553,826
Other comprehensive income for the period	–	–
Total comprehensive income for the period	52,443,088	27,553,826

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

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Olga Arkadyevna Spivak

18 August 2025

Deputy Chairperson of the Management Board,
member of the Management Board

Chief Accountant

CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025

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	Note	Share capital	Reserve capital	Retained earnings	Total
At 1 January 2024		428,284,724	19,704,422	2,859,396	450,848,542
Total comprehensive income for the period (unaudited)		–	–	27,553,826	27,553,826
Increase in reserve capital (unaudited)	15	–	8,864,130	(8,864,130)	–
Dividends declared (unaudited)	15	–	–	(20,691,012)	(20,691,012)
At 30 June 2024 (unaudited)		428,284,724	28,568,552	858,080	457,711,356
At 1 January 2025		428,284,724	28,568,552	33,660,860	490,514,136
Total comprehensive income for the period (unaudited)		–	–	52,443,088	52,443,088
Increase in reserve capital (unaudited)	15	–	18,103,380	(18,103,380)	–
Dividends declared (unaudited)	15	–	–	(42,253,225)	(42,253,225)
At 30 June 2025 (unaudited)		428,284,724	46,671,932	25,747,343	500,703,999

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

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Deputy Chairperson of the Management Board,
member of the Management Board

Olga Arkadyevna Spivak

Chief Accountant

18 August 2025

The selected explanatory notes set out on pages 9 to 41 form an integral part of these consolidated interim condensed financial statements.

CONSOLIDATED INTERIM CONDENSED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2025

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	Note	Unaudited for the six months ended 30 June	
		2025	2024
Cash flows from operating activities			
Interest received		118,804,782	88,950,043
Interest paid		(64,369,740)	(32,282,414)
Personnel expenses paid		(8,424,280)	(7,063,929)
Other operating expenses paid		(1,302,298)	(1,826,162)
Cash flows from operating activities before changes in operating assets and liabilities		44,708,464	47,777,538
<i>Net (increase)/ decrease in operating assets</i>			
Loans to banks		(23,506,046)	(43,794,461)
Loans to customers		(187,455,162)	(139,803,623)
Finance lease receivables		(2,734,550)	(19,510,859)
Coupon prepayments on debt securities issued		(29,986,115)	–
Receivables from the Government of the Republic of Kazakhstan		54,701,494	–
Other assets		(24,964,936)	(9,444,465)
<i>Net increase/ (decrease) in operating liabilities</i>			
Government grants		20,366,676	2,970,407
Other liabilities		1,052,529	(2,985,000)
Net cash used in operating activities before corporate income tax paid		(147,817,646)	(164,790,463)
Corporate income tax paid		(12,797,040)	(2,275,009)
Net cash used in operating activities		(160,614,686)	(167,065,472)
Cash flows from investing activities			
Proceeds from repayment of securities		726	135
Acquisition of property, plant and equipment and intangible assets		(230,998)	(306,562)
Proceeds from sale of property, plant and equipment, intangible assets		7,747	–
Net cash flows used in investing activities		(222,525)	(306,427)
Cash flows from financing activities			
Proceeds from loans from the Government of the Republic of Kazakhstan	10	140,000,000	140,000,000
Repayment of loans from the Government of the Republic of Kazakhstan		(60,003,000)	(3,000)
Repayment of loans from the Shareholder		(1,109,524)	(1,222,090)
Debt securities issued	12	383,729,200	275,000,000
Repayment of debt securities issued	12	(229,533,580)	(3,950,000)
Proceeds from loans from state and budget organisations	11	1,000,000	480,000
Repayment of loans from state and budget organisations		(22,341,015)	(29,435,605)
Proceeds from external loans		–	8,800,000
Repayment of external loans		(18,579,200)	(22,380,250)
Dividends paid	15	(42,253,225)	(20,691,012)
Net cash from financing activities		150,909,656	346,598,043
Effect of movements in exchange rates on cash and cash equivalents		1,699,332	131,942
Effect of expected credit losses on cash and cash equivalents		2,241	(2,621)
Net change in cash and cash equivalents		(8,225,982)	179,355,465
Cash and cash equivalents at the beginning of the period		430,783,789	168,988,929
Cash and cash equivalents at the end of the period	4	422,557,807	348,344,394

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

Kairat Kaertarovich Sapulato

Deputy Chairperson of the Management Board,
member of the Management Board

Olga Arkadyevna Spivak

Chief Accountant

18 August 2025

The selected explanatory notes set out on pages 9 to 41 form an integral part of these consolidated interim condensed financial statements.

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**for the six months ended 30 June 2025**

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1. Reporting entity

These consolidated interim condensed financial statements comprise the financial statements of Agrarian Credit Corporation Joint Stock Company (the “Company”) and financial statements of its subsidiary KazAgroFinance JSC (collectively referred to as the “Group”).

The Company was established by the Decree of the Government of the Republic of Kazakhstan No.137 dated 25 January 2001 “*On the Issues of the Agricultural Sector Lending*” as a joint stock company in accordance with the legislation of the Republic of Kazakhstan. The Company is operating on the basis of a license to carry out operations provided for by the banking legislation of the Republic of Kazakhstan, No. 5.2.24 dated 5 November 2013, issued by the Committee for Regulation and Supervision of the Financial Market and Financial Institutions under the National Bank of the Republic of Kazakhstan (“NBRK”). The activities of the Company are regulated by the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan.

The Group’s principal activity is promotion of industrialisation and diversification of the agricultural sector through development of the affordable lending system for agro–industrial complex entities, performance of bank borrowing operations on the basis of the relevant license, participation in the implementation of the government programmes to support the agricultural sector through lending, leasing out agricultural and other equipment, attraction of the domestic and foreign investments, participation in the development and implementation of the projects in the agro–industrial complex, leasing activities, funding of financial institutions, financing of legal entities using Islamic financial instruments to provide Islamic finance to agro–industrial complex entities, and other activities not prohibited by the legislative acts that meet the goals and objectives of the Group provided for by its Charter.

The Group's financing activities stipulate specific requirements and restrictions on the use of funds. The interest rate on loans provided is lower than the market rate due to implementation of the agricultural development programmes in the Republic of Kazakhstan.

As at 30 June 2025 and 31 December 2024, the Company had 19 registered branches in the Republic of Kazakhstan.

As at 30 June 2025 and 31 December 2024 the Company owned a 100% interest in KazAgroFinance JSC; the principal activity of KazAgroFinance JSC is leasing activity in the agro–industrial complex, lending of entities operating in the agro–industrial complex, participation in the implementation of the programmes funded from the national budget and other programmes aimed at development of the agro–industrial complex.

As at 30 June 2025 and 31 December 2024, Baiterek National Managing Holding JSC (“Baiterek” or “Shareholder”) owns 100% of the Company’s shares.

The Company’s ultimate owner is the Government of the Republic of Kazakhstan.

The Company’s registered office is 11 Imanov Street, Astana, Republic of 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. Additionally, introduction of tariffs on import of certain categories of goods by the United States in April 2025 has contributed to global economic uncertainty. These measures affect international trade flows and investor sentiment. The introduction of tariffs and other protectionist measures, the volatility in the global price of oil and the ongoing military conflict between the Russian Federation and Ukraine have increased the level of uncertainty in the business environment.

The unconsolidated interim condensed 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.

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

000 KZT

2. Basis of preparation

Statement of compliance with IAS 34 *Interim Financial Reporting*

These consolidated interim condensed financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at 31 December 2024 and for the year then ended.

These consolidated interim condensed financial statements do not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRSs”) and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024 and for the year then ended.

Basis of measurement

The consolidated interim condensed financial statements have been prepared on the historical cost basis.

Functional and presentation currency

The functional currency of the Group is the Kazakhstan Tenge (“KZT”) as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of underlying events and circumstances relevant to them. The KZT is also the presentation currency for the purposes of these consolidated interim condensed financial statements.

All financial information presented in KZT has been rounded to the nearest thousand.

Use of estimates and judgments

Preparing the consolidated interim condensed financial statements requires management to make judgements, estimates assumptions that affect the application of accounted policies and the reported amounts of assets and liabilities, income and expenses. Actual results may 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, in which changes in estimates affect data in the consolidated interim condensed financial information.

The most significant judgements made by management in applying the Group’s accounting policies are the key sources of estimation uncertainty were the same as those that applied to the last annual consolidated financial statements.

Changes in presentation of comparative information

During the preparation of the consolidated interim condensed financial statements as at and for the period ended 30 June 2025, management of the Group decided to reclassify government grants received from the Ministry of Agriculture to partially subsidise the principal amount and interest on finance lease agreements from “Other liabilities to “Government grants” in the consolidated interim condensed statement of profit or loss and other comprehensive income. The Group’s management believes that this presentation is most appropriate for the users of the consolidated interim condensed financial statements.

The following table presents the impact of the reclassification:

	<i>As previously reported</i>	<i>Impact of reclassification</i>	<i>As restated</i>
Consolidated Interim Condensed Statement of Financial Position as at 31 December 2024			
Government grants	94,400,466	4,045,615	98,446,081
Other liabilities	14,960,349	(4,045,615)	10,914,734
Consolidated Interim Condensed Statement of Cash Flows for the six months ended 30 June 2024			
<i>Net increase/ (decrease) in operating liabilities</i>			
Government grants	(264,625)	3,235,032	2,970,407
Other liabilities	250,032	(3,235,032)	(2,985,000)

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

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3. Material accounting policies

The material accounting policies applied in these consolidated interim condensed financial statements are the same as those applied in the last annual consolidated financial statements as at and for the year ended 31 December 2024.

New standards and interpretations not yet adopted

A number of new standards and interpretations are effective for annual periods beginning from 1 January 2025 and earlier application is permitted; However, the Group has not early adopted the new or amended standards in preparing these financial statements.

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

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*.
- *Presentation and Disclosure in Financial Statements* (IFRS 18)*.

*IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces classification of all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. It also introduces a newly-defined operating profit subtotal. Net profit will not change. Management-defined performance measures (MPMs) are disclosed in a separate note in the financial statements. All entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

4. Cash and cash equivalents

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>(unaudited)</i>	
Reverse repurchase agreements	281,370,265	341,926,703
Cash on current bank accounts	94,440,940	69,188,200
Overnight deposits and deposits with an original maturity of up to 12 months	28,360,623	19,660,083
Notes of NBRK	17,819,420	–
Cash on current bank accounts with the Republican State Enterprise (RSE) “The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan”	575,167	19,652
	422,566,415	430,794,638
Allowance for expected credit losses	(8,608)	(10,849)
Cash and cash equivalents	422,557,807	430,783,789

As at 30 June 2025, cash and cash equivalents are not past due and categorised into Stage 1 (unaudited) (31 December 2024: cash and cash equivalents are not past due and categorised into Stage 1).

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

000 KZT

As at 30 June 2025 and 31 December 2024, the credit quality of cash and cash equivalents balances may be summarised based on Standard and Poor's or other agencies converted into Standard&Poor's scale as follows:

	<i>30 June 2025 (unaudited)</i>					
	<i>Current accounts</i>	<i>Current account with RSE "The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan"</i>	<i>NBRK notes</i>	<i>Overnight deposits and deposits with an original maturity of up to 12 months</i>	<i>Reverse repurchase agreements</i>	<i>Total</i>
Not overdue						
– NBRK notes (not rated)	–	–	17,819,420	–	–	17,819,420
– Cash on current account with RSE "The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan" (not rated)	–	575,167	–	–	–	575,167
– rated from BBB– to BBB+	58,829,811	–	–	–	–	58,829,811
– rated from BB– to BB+	33,337,427	–	–	28,360,495	–	61,697,922
– rated from B– to B+	2,088	–	–	–	–	2,088
– not rated	2,271,614	–	–	128	281,370,265	283,642,007
Total cash and cash equivalents, net of cash before deduction of impairment allowance	94,440,940	575,167	17,819,420	28,360,623	281,370,265	422,566,415
Allowance for expected credit losses	(2,906)	(7)	(1,811)	(1,181)	(2,703)	(8,608)
Total cash and cash equivalents, net of cash	94,438,034	575,160	17,817,609	28,359,442	281,367,562	422,557,807

	<i>31 December 2024</i>					
	<i>Current accounts</i>	<i>Current account with RSE "The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan"</i>	<i>Overnight deposits and deposits with an original maturity of up to 12 months</i>	<i>Reverse repurchase agreements</i>	<i>Total</i>	
Not overdue						
– Cash on current account with RSE "The Treasury Committee of the Ministry of Finance of the Republic of Kazakhstan" (not rated)	–	19,652	–	–	19,652	
– rated from BBB– to BBB+	25,825,830	–	527,448	–	26,353,278	
– rated from BB– to BB+	39,857,531	–	19,132,405	–	58,989,936	
– rated from B– to B+	1,740	–	–	–	1,740	
– not rated	3,503,099	–	230	341,926,703	345,430,032	
Total cash and cash equivalents, net of cash before deduction of impairment allowance	69,188,200	19,652	19,660,083	341,926,703	430,794,638	
Allowance for expected credit losses	(2,937)	–	(813)	(7,099)	(10,849)	
Total cash and cash equivalents, net of cash	69,185,263	19,652	19,659,270	341,919,604	430,783,789	

As at 30 June 2025, the balance of not rated cash and cash equivalents includes the balances with Citibank Kazakhstan JSC and Kazpost JSC (unaudited) (31 December 2024: Citibank Kazakhstan JSC and Kazpost JSC).

As at 30 June 2025, the Group has no accounts with bank, whose total balances of cash and cash equivalents exceed 10.00% of the Group's equity (unaudited) (31 December 2024: no accounts with bank, whose total balances of cash and cash equivalents exceed 10.00% of the Group's equity).

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

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As at 30 June 2025, the Group entered into reverse repo agreements at Kazakhstan Stock Exchange, which were secured by the treasury bills of the Ministry of Finance of the Republic of Kazakhstan, securities of the National Bank of the Republic of Kazakhstan, debt bonds of Kazakhstan Sustainability Fund JSC, European Bank for Reconstruction and Development, Eurasian Development Bank and Asian Development Bank. The total fair value of the above financial instruments was KZT 282,019,651 thousand (unaudited) (31 December 2024: KZT 341,847,107 thousand). The carrying amount under reverse repo agreements as at the reporting date was KZT 281,367,562 thousand (unaudited) (31 December 2024: KZT 341,919,604 thousand).

5. Loans to banks

	<i>30 June 2025</i> <i>(unaudited)</i>	<i>31 December 2024</i>
Loans to second-tier banks	99,103,284	78,507,796
Allowance for expected credit losses	(293,252)	(166,467)
Due from banks	98,810,032	78,341,329

As at 30 June 2025, loans to second-tier banks are not overdue and are categorised into Stage 1 (unaudited) (31 December 2024: loans to second-tier banks are not overdue and are categorised into Stage 1).

As at 31 June 2025 and 31 December 2024, the credit quality of cash balances with banks may be summarised based on Standard and Poor's or other agencies converted into Standard&Poor's scale as follows:

	<i>30 June 2025</i> <i>(unaudited)</i>	<i>31 December 2024</i>
Not overdue		
– rated from BBB– to BBB+	65,009,467	61,164,090
– rated from BB– to BB+	16,523,677	7,939,818
– rated from B– to B+	17,570,140	9,403,888
	99,103,284	78,507,796
Allowance for expected credit losses	(293,252)	(166,467)
Due from banks	98,810,032	78,341,329

During the six months ended 30 June 2025, as part of Ken Dala annual government programme for support of the spring field works, the Group provided loans to Halyk Bank of Kazakhstan JSC for the total amount of KZT 38,500,000 thousand (unaudited), Bank CenterCredit JSC for the total amount of KZT 10,650,000 thousand (unaudited), Freedom Bank Kazakhstan JSC for the total amount of KZT 9,650,000 thousand (unaudited), ForteBank JSC for the total amount of KZT 1,699,000 thousand (unaudited), Bereke Bank JSC (subsidiary bank Lesha Bank LLC (Public)) for the total amount of KZT 4,169,852 thousand (unaudited), at below market interest rate of 1.50% per annum and maturing on 1 March 2026 and 10 March 2026 (unaudited). The Group recognised a discount of KZ 6,911,263 thousand (unaudited) as a loss on initial recognition of loans at the below-market interest rates, and interest income on unwinding of discount in the amount of KZT 1,610,606 thousand (unaudited) in the interim condensed statement of profit or loss within other expenses and interest income on loans to banks, respectively. The Group applied estimated market interest rates from 16.40% to 18.73% per annum (unaudited) to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2024, as part of Ken Dala annual government programme for support of the spring field works, the Group provided loans to Halyk Bank of Kazakhstan JSC for the total amount of KZT 52,177,500 thousand, to Bank CenterCredit JSC for the total amount of KZT 4,000,000 thousand at below market interest rate of 1.50% per annum and maturing on 1 March 2025. The Group recognised a discount of KZT 4,630,496 thousand as a loss on initial recognition of loans at the below-market interest rates, and interest income on unwinding of discount in the amount of KZT 1,425,629 thousand in the interim condensed statement of profit or loss within other expenses and interest income on loans to banks, respectively. The Group applied estimated market interest rates from 12.98% to 15.15% per annum to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2025, as part of Ken Dala 2 programme, the Group provided loans to Bank CenterCredit JSC for the amount of KZT 1,271,785 thousand (unaudited) at the below-market interest rate of 1.50% per annum and maturity on 10 March 2026. The Group recognised a discount of KZT 106,412 thousand (unaudited) as loss on initial recognition of loans at below-market interest rates, and interest income on unwinding of discount in the amount of KZT 485 thousand (unaudited) in the interim condensed statement of profit or loss within other expenses and interest income on loans to banks, respectively. The Group applied estimated market interest rate of 18.30% per annum (unaudited) to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

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000 KZT

During the six months ended 30 June 2024, as part of Ken Dala–2 programme, the Group provided loans to Halyk Bank of Kazakhstan JSC for the total amount of KZT 10,822,500 thousand, Freedom Bank Kazakhstan JSC for the amount of KZT 5,000,000 thousand and Bank CenterCredit JSC for the amount of KZT 2,000,000 thousand at the below–market interest rate of 1.50% per annum and maturity on 1 March 2025. The Group recognised a discount of KZT 1,315,584 thousand as loss on initial recognition of loans at below–market interest rates, and interest income on unwinding of discount in the amount of KZT 128,700 thousand in the interim condensed statement of profit or loss within other expenses and interest income on loans to banks, respectively. The Group applied estimated market interest rates from 15.27% to 15.97% per annum to measure the fair value of the above–mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2025, as part of the *Agribusiness (bonds) for the Food Industry* programme, the Group provided loans to ForteBank JSC for the total amount of KZT 350,000 thousand (unaudited) at the below–market interest rate of 1.50% per annum and maturity on 20 March 2026 (unaudited). The Group recognised discount of KZT 30,380 thousand (unaudited) as loss on initial recognition of loans at below–market interest rates, and interest income on unwinding of discount in the amount of KZT 797 thousand (unaudited) in the interim condensed statement of profit or loss within other expenses and interest income on loans to banks, respectively. The Group applied estimated market interest rate of 18.28% per annum (unaudited) to measure the fair value of the above–mentioned loans on initial recognition by discounting their future contractual cash flows (during the six months ended 30 June 2024, no loans were issued to banks as part of the *Agribusiness (bonds) for the Food Industry* programme).

As at 30 June 2025, the Group has a balance with 1 bank (unaudited) (31 December 2024: none), which exceeds 10.00% of equity: Halyk Bank of Kazakhstan JSC for the total amount of KZT 65,009,467 thousand (unaudited).

6. Loans to customers

Loans to customers are represented by loans to the borrowers operating in the agricultural sector and include the following positions:

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>(unaudited)</i>	
Loans to legal entities–credit partnerships and social and entrepreneurship corporations	535,527,418	465,714,649
Loans to legal entities for investment projects	88,334,200	92,346,326
Loans to other legal entities	305,828,156	212,608,134
Loans to individuals	287,327,274	269,153,447
	1,217,017,048	1,039,822,556
Allowance for expected credit losses	(223,231,860)	(207,202,906)
Loans to customers	993,785,188	832,619,650

Impairment allowance for loans to customers

The table below provides analysis of movements in the allowance for expected credit losses (ECL) for loans to customers for the six months ended 30 June 2025.

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Expected credit losses at 1 January	207,202,906	191,757,709
Loans issued to customers during the six months	7,386,926	12,102,760
Loans repaid by customers during the six months	(5,381,910)	(3,986,877)
Changes in ECL during the six months	7,802,461	(5,965,430)
Unwinding of discount	8,931,744	8,366,685
Write–offs	(2,710,267)	(5,195,848)
Expected credit losses at 30 June	223,231,860	197,078,999

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**for the six months ended 30 June 2025***000 KZT*

During the six months ended 30 June 2025, as part of Ken Dala annual government programme for lending of the agro-industrial complex entities to support the spring field works, the Group provided loans for the total amount of KZT 75,331,148 thousand (unaudited) (30 June 2024: KZT 79,627,500 thousand) at the below-market interest rate of 1.50 % p.a. (30 June 2024: 1.50% p.a.) and maturity before March 2026 (30 June 2024: before March 2025). The Group recognised discount of KZT 9,133,093 thousand (unaudited) (30 June 2024: KZT 10,979,330 thousand) on initial recognition and interest income on unwinding of discount of KZT 2,771,274 thousand (unaudited) (30 June 2024: KZT 3,696,366 thousand) in the statement of profit or loss within other expenses and interest income on loans to customers, respectively. The loss of KZT 9,133,093 thousand (unaudited) on initial recognition of loans at below-market interest rates (30 June 2024: KZT 10,979,330 thousand) was fully compensated through receipt of a government grant (30 June 2024: was fully compensated through receipt of a government grant). The Group applied estimated market interest rates from 20.18% to 22.98% p.a. (30 June 2024: from 17.20% to 21.60% p.a.) to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2025, the Group continued issuing and servicing the loans provided under the Government Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017–2021 (“Isker”); new loans were issued for the amount of KZT 1,477,459 thousand (30 June 2024: KZT 1,541,005 thousand). The Group applied estimated market interest rates from 20.18% to 22.98% p.a. (30 June 2024: 17.20% to 21.60% p.a.) to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows. The loss of KZT 479,381 thousand on initial recognition of these loans issued at below market interest rate (30 June 2024: KZT 530,465 thousand) was recognised within other expenses and was fully compensated at the expense of a government grant.

During the six months ended 30 June 2025 the Group continued issuing and servicing the loans of KZT 3,079,884 thousand provided under Enbek and Employment Roadmap 2020 government programmes (30 June 2024: KZT 6,224,065 thousand). The Group applied estimated market interest rates from 20.18% to 22.98% p.a. to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows. The loss of KZT 540,753 thousand on initial recognition of these loans issued at below market interest rate (30 June 2024: KZT 1,538,350 thousand) was recognised within other expenses and was fully compensated at the expense of a government grant.

During the six months ended 30 June 2025, as part of Ken Dala 2 annual government programme for lending of the agro-industrial complex entities to support the spring field works, the Group provided loans for the total amount of KZT 239,298,525 thousand (30 June 2024: KZT 103,254,213 thousand) at the below-market interest rate of 1.50%–22.00% p.a. (30 June 2024: 1.50%–5.00% p.a.) and maturity before March 2026 and before 27 March 2028. The Group recognised discount of KZT 30,447,149 thousand (unaudited) (30 June 2024: KZT 10,764,013 thousand) on initial recognition and interest income on unwinding of discount of KZT 8,699,497 thousand (30 June 2024: KZT 637,920 thousand) in the statement of profit or loss within other expenses and interest income on loans to customers, respectively. The loss of KZT 30,447,149 thousand (unaudited) on initial recognition of loans at below-market interest rates (30 June 2024: KZT 10,764,013 thousand) was fully compensated through receipt of a government grant. The Group applied estimated market interest rates from 20.18% to 22.98% p.a. to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2025, as part of the *Agribusiness (bonds)* programme for lending of the agro-industrial complex entities to support the food production and/or processing industry (processing of agricultural produce), the Group provided loans for the total amount of KZT 13,452,395 thousand (30 June 2024: this programme was not available), at below-market interest rate of 1.50%–5.00% p.a. and maturity before September 2025. The Group recognised discount of KZT 1,114,247 thousand (unaudited) on initial recognition and interest income on unwinding of discount of KZT 726,111 thousand in the statement of profit or loss within other expenses and interest income on loans to customers, respectively. The loss of KZT 1,114,247 thousand (unaudited) on initial recognition of loans at below-market interest rates was fully compensated through receipt of a government grant. The Group applied estimated market interest rates from 20.18% to 22.77% p.a. to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

During the six months ended 30 June 2025, as part of the *Agribusiness (bonds)* programme for the food industry for lending of the agro-industrial complex entities to support the food production and/or processing industry (processing of agricultural produce), the Group provided loans for the total amount of KZT 4,138,740 thousand, at below market interest rate of 1.50%–5.00% p.a. and maturity before March 2026. The Group recognised discount of KZT 356,947 thousand (unaudited) on initial recognition and interest income on unwinding of discount of KZT 4,431 thousand in the statement of profit or loss within other expenses and interest income on loans to customers, respectively. The loss of KZT 356,947 thousand (unaudited) on initial recognition of loans at below-market interest rates was fully compensated through receipt of a government grant. The Group applied estimated market interest rate of 22.98% p.a. to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

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In the normal course of business, the Group provides loans at below-market rates to borrowers operating in the agricultural industry. Loss of KZT 8,222,995 thousand (unaudited) on initial recognition of loans at below market interest rates was recognised within other expenses for the six months ended 30 June 2026 (for the six months ended 2024: KZT 2,827,925 thousand). During the six months of 2025 the Group applied estimated market interest rates from 20.18% to 22.98% p.a. (during the six months of 2024: from 17.20% to 21.60% p.a.) to measure the fair value of the above-mentioned loans on initial recognition by discounting their future contractual cash flows.

As at 30 June 2025 the Group had no borrowers whose total balance exceeded 10.00% of equity (30 June 2024: no borrowers).

The following table provides information on the credit quality of the loans to customers as at 30 June 2025 (unaudited) and 31 December 2024:

<i>Loans to legal entities—credit partnerships and social and entrepreneurship corporations</i>	<i>At 30 June 2025 (unaudited)</i>				
		<i>Stage 2</i>	<i>Stage 3</i>		
	<i>Stage 1</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>POCI</i>	<i>Total</i>
	<i>12-month ECL</i>	<i>on assets not credit-impaired</i>	<i>on assets not credit-impaired</i>		
- not overdue	323,958,909	109,189,868	79,143,627	2,864,426	515,156,830
- overdue less than 30 days	145,172	2,905,544	5,470,809	25,146	8,546,671
- overdue more than 31 days and less than 60 days	—	1,741,294	1,186,276	—	2,927,570
- overdue more than 61 days and less than 90 days	—	—	2,080,986	1,990	2,082,976
- overdue more than 91 days and less than 360 days	—	—	2,302,452	—	2,302,452
- overdue more than 1 year	—	—	4,510,919	—	4,510,919
	324,104,081	113,836,706	94,695,069	2,891,562	535,527,418
Allowance for expected credit losses (unaudited)	(3,502,662)	(8,915,950)	(28,293,841)	(409,398)	(41,121,851)
	320,601,419	104,920,756	66,401,228	2,482,164	494,405,567

During the six months ended 30 June 2025, four large borrowers with a total gross carrying amount of KZT 22,403,479 thousand were transferred from Stage 1 to Stage 2, which resulted in recognition of additional expenses for expected credit losses in the amount of KZT 2,224,539 thousand. During the six months ended 30 June 2025, five large borrowers with a total gross carrying amount of KZT 22,462,566 thousand were transferred from Stages 1 and 2 to Stage 3, which resulted in recognition of additional expenses for expected credit losses in the amount of KZT 7,314,032 thousand.

<i>Loans to legal entities for investment projects</i>	<i>At 30 June 2025 (unaudited)</i>				
		<i>Stage 2</i>	<i>Stage 3</i>		
	<i>Stage 1</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>POCI</i>	<i>Total</i>
	<i>12-month ECL</i>	<i>on assets not credit-impaired</i>	<i>on assets not credit-impaired</i>		
- not overdue	21,878,998	539,847	16,713,830	11,088	39,143,763
- overdue less than 30 days	245,048	—	1,758,520	—	2,003,568
- overdue more than 31 days and less than 60 days	—	—	262,221	—	262,221
- overdue more than 61 days and less than 90 days	—	—	3,163,597	—	3,163,597
- overdue more than 91 days and less than 360 days	—	—	6,243,665	1,625	6,245,290
- overdue more than 1 year	—	—	37,498,281	17,480	37,515,761
	22,124,046	539,847	65,640,114	30,193	88,334,200
Allowance for expected credit losses	(1,863,637)	(321,622)	(50,487,131)	(11,282)	(52,683,672)
	20,260,409	218,225	15,152,983	18,911	35,650,528

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000 KZT

	<i>At 30 June 2025 (unaudited)</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on assets not credit- impaired</i>	<i>POCI</i>	<i>Total</i>
<i>Loans to other legal entities</i>					
- not overdue	194,642,821	4,268,097	34,895,830	9,247,104	243,053,852
- overdue less than 30 days	1,213,139	94,722	5,842,788	116,078	7,266,727
- overdue more than 31 days and less than 60 days	–	373,732	393,206	–	766,938
- overdue more than 61 days and less than 90 days	–	–	2,010,221	–	2,010,221
- overdue more than 91 days and less than 360 days	–	–	13,161,768	423,807	13,585,575
- overdue more than 1 year	–	–	39,144,843	–	39,144,843
	195,855,960	4,736,551	95,448,656	9,786,989	305,828,156
Allowance for expected credit losses	(4,582,464)	(1,474,245)	(65,917,550)	(8,407,050)	(80,381,309)
	191,273,496	3,262,306	29,531,106	1,379,939	225,446,847

	<i>30 June 2025 (unaudited)</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on assets not credit- impaired</i>	<i>POCI</i>	<i>Total</i>
<i>Individuals</i>					
- not overdue	198,907,390	5,617,246	18,282,502	919,393	223,726,531
- overdue less than 30 days	9,456,293	1,162,897	3,188,893	62,685	13,870,768
- overdue more than 31 days and less than 60 days	–	2,913,910	2,807,322	33,412	5,754,644
- overdue more than 61 days and less than 90 days	–	–	2,780,347	960,758	3,741,105
- overdue more than 91 days and less than 360 days	–	–	11,240,348	31,267	11,271,615
- overdue more than 1 year	–	–	28,350,115	612,496	28,962,611
	208,363,683	9,694,053	66,649,527	2,620,011	287,327,274
Allowance for expected credit losses	(2,728,741)	(1,984,245)	(43,119,551)	(1,212,491)	(49,045,028)
	205,634,942	7,709,808	23,529,976	1,407,520	238,282,246

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000 KZT

	<i>At 30 June 2024 (unaudited)</i>				
		<i>Stage 2</i>	<i>Stage 3</i>		
	<i>Stage 1</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>POCI</i>	<i>Total</i>
<i>Loans to legal entities – credit partnerships and social and entrepreneurship corporations</i>	<i>12-month ECL</i>	<i>on assets not credit-impaired</i>	<i>on assets not credit-impaired</i>		
- not overdue	215,795,185	135,325,419	61,381,074	3,088,820	415,590,498
- overdue less than 30 days	864,065	5,647,950	7,169,769	24,285	13,706,069
- overdue more than 31 days and less than 60 days	–	1,962,665	2,022,021	–	3,984,686
- overdue more than 61 days and less than 90 days	–	–	1,257,108	–	1,257,108
- overdue more than 91 days and less than 360 days	–	–	3,374,922	71,789	3,446,711
- overdue more than 1 year	–	–	5,229,941	–	5,229,941
	216,659,250	142,936,034	80,434,835	3,184,894	443,215,013
Allowance for expected credit losses	(5,304,174)	(11,646,109)	(12,386,864)	(110,639)	(29,447,786)
	211,355,076	131,289,925	68,047,971	3,074,255	413,767,227

	<i>At 30 June 2024 (unaudited)</i>				
		<i>Stage 2</i>	<i>Stage 3</i>		
	<i>Stage 1</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>POCI</i>	<i>Total</i>
<i>Loans to legal entities for investment projects</i>	<i>12-month ECL</i>	<i>for assets not credit-impaired</i>	<i>for assets not credit-impaired</i>		
- not overdue	22,813,377	1,021,307	21,725,103	643,546	46,203,333
- overdue less than 30 days	412,435	–	3,299,981	–	3,712,416
- overdue more than 31 days and less than 60 days	–	24,443	627,850	–	652,293
- overdue more than 61 days and less than 90 days	–	–	12,549,297	12,288	12,561,585
- overdue more than 91 days and less than 360 days	–	–	13,307,501	208,446	13,515,947
- overdue more than 1 year	–	–	22,353,343	–	22,353,343
	23,225,812	1,045,750	73,863,075	864,280	98,998,917
Allowance for expected credit losses	(3,949,797)	(377,366)	(35,562,343)	(627,891)	(40,517,397)
	19,276,015	668,384	38,300,732	236,389	58,481,520

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	<i>At 30 June 2024 (unaudited)</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on assets not credit- impaired</i>	<i>POCI</i>	<i>Total</i>
<i>Loans to other legal entities</i>					
- not overdue	85,888,344	2,637,631	62,914,716	7,302,156	158,742,847
- overdue less than 30 days	1,224,472	105,321	2,580,368	1,416,465	5,326,626
- overdue more than 31 days and less than 60 days	–	536,797	1,924,895	217,973	2,679,665
- overdue more than 61 days and less than 90 days	–	–	1,214,356	54,092	1,268,448
- overdue more than 91 days and less than 360 days	–	–	31,856,567	300,823	32,157,390
- overdue more than 1 year	–	–	32,962,061	–	32,962,061
	87,112,816	3,279,749	133,452,963	9,291,509	233,137,037
Allowance for expected credit losses	(9,099,891)	(1,109,204)	(75,721,807)	(2,361,744)	(88,292,646)
	78,012,925	2,170,545	57,731,156	6,929,765	144,844,391

	<i>30 June 2024 (unaudited)</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on assets not credit- impaired</i>	<i>POCI</i>	<i>Total</i>
<i>Individuals</i>					
- not overdue	178,846,788	5,338,732	23,894,029	774,268	208,853,817
- overdue less than 30 days	10,417,707	1,696,983	3,275,385	93,097	15,483,172
- overdue more than 31 days and less than 60 days	–	4,679,625	2,631,579	213,783	7,524,987
- overdue more than 61 days and less than 90 days	–	–	3,847,296	51,676	3,898,972
- overdue more than 91 days and less than 360 days	–	–	13,638,901	1,395,023	15,033,924
- overdue more than 1 year	–	–	22,513,025	88,874	22,601,899
	189,264,495	11,715,340	69,800,215	2,616,721	273,396,771
Allowance for expected credit losses	(4,475,659)	(2,235,650)	(31,643,149)	(466,712)	(38,821,170)
	184,788,836	9,479,690	38,157,066	2,150,009	234,575,601

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000 KZT

7. Finance lease receivables

The analysis of finance lease receivables at 30 June 2025 and 31 December 2024 is as follows:

	<i>30 June 2025 (unaudited)</i>			
	<i>Up to 1 year</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>Total</i>
Gross investments in finance lease	173,555,405	479,876,974	268,365,425	921,797,804
Unearned deferred finance income from finance lease	(9,853,102)	(142,185,594)	(126,912,551)	(278,951,247)
Investments in finance lease	163,702,303	337,691,380	141,452,874	642,846,557
ECL allowance	(28,398,648)	(25,780,631)	(11,993,084)	(66,172,363)
Finance lease receivables	135,303,655	311,910,749	129,459,790	576,674,194
	<i>31 December 2024</i>			
	<i>Up to 1 year</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>Total</i>
Gross investments in finance lease	167,738,288	466,661,615	297,208,530	931,608,433
Unearned deferred finance income from finance lease	(9,160,415)	(143,783,352)	(152,387,604)	(305,331,371)
Investments in finance lease	158,577,873	322,878,263	144,820,926	626,277,062
ECL allowance	(27,071,811)	(30,250,236)	(15,235,316)	(72,557,363)
Finance lease receivables	131,506,062	292,628,027	129,585,610	553,719,699

ECL allowance on finance lease receivables

The table below provides analysis of movements in the ECL allowance for the six months ended 30 June 2025:

	<i>Unaudited</i>				<i>Total</i>
	<i>For the six months ended 30 June 2025</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit-impaired</i>	<i>Stage 3 Lifetime ECL on assets credit-impaired</i>	<i>POCI Purchased or originated credit-impaired assets</i>	
ECL allowance at 1 January 2025 (as restated)	4,233,818	4,009,463	64,285,213	28,869	72,557,363
New assets originated or purchased	1,535,393	7,388	–	–	1,542,781
Transfers to Stage 1	4,422,790	(1,995,061)	(2,427,729)	–	–
Transfers to Stage 2	(392,690)	9,141,744	(8,749,054)	–	–
Transfers to Stage 3	(44,102)	(2,445,055)	2,489,157	–	–
Net (reversal)/charge	(5,423,448)	(4,134,740)	1,752,888	(1,032)	(7,806,332)
Amounts written off	–	–	(121,449)	–	(121,449)
At 30 June 2025	4,331,761	4,583,739	57,229,026	27,837	66,172,363

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

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The table below provides analysis of movements in the ECL allowance for the six months ended 30 June 2024:

	<i>Unaudited</i>				<i>Total</i>
	<i>For the six months ended 30 June 2024</i>				
	<i>Stage 1</i> <i>12-month</i> <i>ECL</i>	<i>Stage 2</i> <i>Lifetime ECL</i> <i>on assets not</i> <i>credit-</i> <i>impaired</i>	<i>Stage 3</i> <i>Lifetime ECL</i> <i>on assets</i> <i>credit-</i> <i>impaired</i>	<i>POCI</i> <i>Purchased or</i> <i>originated</i> <i>credit-</i> <i>impaired</i> <i>assets</i>	
ECL allowance at 1 January 2024 (as restated)	3,057,317	3,955,479	37,097,795	8,207	44,118,798
New assets originated or purchased	1,937,930	–	–	–	1,937,930
Transfers to Stage 1	1,460,257	(1,407,736)	(52,521)	–	–
Transfers to Stage 2	(415,640)	1,080,619	(664,979)	–	–
Transfers to Stage 3	(299,258)	(4,349,462)	4,648,720	–	–
Net (reversal)/charge	(692,334)	2,229,787	8,928,594	–	10,466,047
Amounts written off	–	–	(12,829)	–	(12,829)
At 30 June 2024	5,048,272	1,508,687	49,944,780	8,207	56,509,946

In determining the ECL allowance for finance lease receivables as at 30 June 2025, management made the following key assumptions: (unaudited):

- PD value for finance lease receivables allocated to Stage 1 of credit quality ranges from 0.76% to 6.78%, allocated to Stage 2 of credit quality ranges from 14.86% to 58.64%, depending on the segment and number of years remaining to repayment of a borrower's loan.
- LGD value for finance lease receivables allocated to Stage 1 is 12.50% in average, to Stage 2 is 14.48% in average and to Stage 3 is 33.76% in average.

In determining the ECL allowance for finance lease receivables as at 31 December 2024, management made the following key assumptions:

- PD value for finance lease receivables allocated to Stage 1 of credit quality ranges from 0.61% to 6.62%, allocated to Stage 2 of credit quality ranges from 14.14% to 56.00%, depending on the segment and number of years remaining to repayment of a borrower's loan.
- LGD value for finance lease receivables allocated to Stage 1 is 14.00% in average, to Stage 2 is 18.50% in average and to Stage 3 is 28.60% in average.

Changes in the above estimates could affect the allowance for expected credit losses on finance lease receivables. For example, to the extent that the net present value of the estimated cash flows differs by plus/minus one percent, the ECL allowance for finance lease receivables as at 30 June 2025 would be KZT 810,841 thousand (unaudited) lower (31 December 2024: KZT 989,386 thousand lower).

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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Credit quality of finance lease portfolio

The following table provides information on the credit quality of the finance lease portfolio as at 30 June 2025 and 31 December 2024:

	<i>30 June 2025 (unaudited)</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on assets not credit- impaired</i>	<i>POCI</i>	<i>Total</i>
– not overdue	416,332,668	36,713,654	66,673,048	45,884	519,765,254
– overdue less than 30 days	25,517,981	6,277,510	3,001,310	–	34,796,801
– overdue more than 31 days and less than 90 days	–	16,470,757	4,360,231	–	20,830,988
– overdue more than 91 days and less than 180 days	–	–	10,612,615	–	10,612,615
– overdue more than 181 days and less than 1 year	–	–	19,173,900	24,994	19,198,894
– overdue more than 1 year	–	–	37,642,005	–	37,642,005
	441,850,649	59,461,921	141,463,109	70,878	642,846,557
Loss allowance	(4,331,761)	(4,583,739)	(57,229,026)	(27,837)	(66,172,363)
Total finance lease receivables	437,518,888	54,878,182	84,234,083	43,041	576,674,194
	<i>31 December 2024</i>				
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL on assets not credit- impaired</i>	<i>Stage 3 Lifetime ECL on credit- impaired assets</i>	<i>POCI Purchased or originated credit- impaired</i>	<i>Total</i>
– not overdue	386,152,147	16,981,968	78,312,937	26,109	481,473,161
– overdue less than 30 days	18,668,740	4,076,425	26,063,952	3,219	48,812,336
– overdue more than 31 days and less than 90 days	–	21,327,037	22,941,048	18,134	44,286,219
– overdue more than 91 days and less than 180 days	–	–	9,882,361	25,572	9,907,933
– overdue more than 181 days and less than 1 year	–	–	6,117,345	–	6,117,345
– overdue more than 1 year	–	–	35,680,068	–	35,680,068
	404,820,887	42,385,430	178,997,711	73,034	626,277,062
Loss allowance	(4,233,818)	(4,009,463)	(64,285,213)	(28,869)	(72,557,363)
Total finance lease receivables	400,587,069	38,375,967	114,712,498	44,165	553,719,699

Concentration of finance lease receivables

As at 30 June 2025, the Group has ten major independent parties, whose finance lease receivables balances totalled KZT 27,261,142 thousand (unaudited) or 4.24% of gross loan portfolio (31 December 2024: KZT 26,641,313 thousand or 4.25% of gross loan portfolio). As at 30 June 2025 the ECL allowance of KZT 3,221,294 thousand was formed against these receivables (unaudited) (31 December 2024: KZT 4,347,488 thousand).

Foreclosed leased assets

During the six months ended 30 June 2025 the Group repossessed leased items for a total of KZT 1,165,032 (unaudited) thousand (during the six months ended 30 June 2024: KZT 743,176 thousand).

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8. Other assets

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>(unaudited)</i>	
Advances paid	32,711,174	4,039,951
Inventories	11,895,239	4,041,870
Other financial assets	4,944,527	4,586,196
Other non-financial assets	2,449,025	2,453,994
Other assets	51,999,965	15,122,011

As at 30 June 2025 and 31 December 2024, advances comprised prepayments for supply of agricultural machinery, equipment to be subsequently leased out under a finance lease.

9. Amounts due to credit institutions

As at 30 June 2025 and 31 December 2024, amounts due to credit institutions comprise:

			<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>Currency</i>	<i>Maturity date</i>	<i>(unaudited)</i>	
Halyk Bank of Kazakhstan JSC	KZT	2025–2029	54,364,172	60,938,976
Industrial Development Fund JSC	KZT	2038	10,302,280	9,635,824
Citibank Kazakhstan JSC	KZT	2025	–	12,105,423
			64,666,452	82,680,223

During the six months of 2025, the Group repaid, according to the schedule, the principal amount of borrowed funds from credit institutions in the amount of KZT 8,800,000 thousand (unaudited) and KZT 3,300,000 thousand (unaudited) was repaid early due to repayment of debt by a borrower using borrowed funds.

Because of the amendments being made to the Decree of the Government dated 2 September 2021, No.604, in January 2024, the Group signed an addendum to the contract No.5–A3 dated 13 August 2022 concluded with Industrial Development Fund JSC, to shorten the loan term to the year 2038 (previous loan term was until 2042). Due to substantial modification of the terms of the contract, the old contract was deemed terminated, and the loan with new terms was recognised at fair value. The market rate used to measure the fair value of the loan on initial recognition was 14.55% per annum. The amount of discount and income from the loan issued at the below-market interest rate decreased by KZT 2,074,623 thousand (unaudited) and was included into the adjustment for the government grant previously recognised (*Note 13*).

During the six months ended 30 June 2024, the Group, to replenish the working capital, raised one tranche under the open credit line with Citibank Kazakhstan JSC in the total amount of KZT 8,800,000 thousand (unaudited); the loan matures in 2025 and bears a nominal interest rate of 16.25% per annum.

10. Amounts due to the Government of the Republic of Kazakhstan

As at 30 June 2025, the carrying amount of the loans received totalled KZT 131,695,618 thousand (unaudited), including interest accrued of KZT 8,106 thousand (unaudited) (31 December 2024: KZT 62,631,531 thousand, including interest accrued of KZT 5,208 thousand).

During the six months ended 30 June 2025, the Group received ten tranches of a loan from the Ministry of Finance of the Republic of Kazakhstan in the total amount of KZT 140,000,000 thousand (unaudited) bearing a nominal interest rate of 0.01% p.a. and maturing on 15 December 2025 and 30 November 2026, in equal instalments (unaudited). The loan was received as part of Ken Dala government programme aimed at supporting enterprises in their spring field and harvesting works.

The loans received were transferred to Halyk Bank of Kazakhstan JSC in the total amount of KZT 38,500,000 thousand (unaudited), Bank CenterCredit JSC in the total amount of KZT 10,650,000 thousand (unaudited), Freedom Bank Kazakhstan JSC in the total amount of KZT 9,650,000 thousand (unaudited), ForteBank JSC in the total amount of KZT 1,699,000 thousand (unaudited), Bereke Bank JSC (a subsidiary of Lesha Bank LLC (Public)) in the total amount of KZT 4,169,852 thousand (unaudited) (*Note 5*), under condition to be used further for intended purpose stipulated by the afore-mentioned programme, and KZT 75,331,148 thousand (unaudited) to be provided directly to the customers (*Note 6*).

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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The discount of KZT 21,687,736 thousand (unaudited) on initial recognition of loans received was recognised as a government grant liability with its partial use during the six months ended 30 June 2025 (*Note 13*). Unwinding of the discount of KZT 3,873,505 thousand (unaudited) was recorded in interest expense on amounts due to the Government of the Republic of Kazakhstan. The Group applied the estimated market interest rates varying from 13.74% to 16.87% p.a. (unaudited) to measure the fair value of the loan tranches on initial recognition by discounting future contractual cash flows.

During the six months ended 30 June 2024, the Group received five tranches of a loan from the Ministry of Finance of the Republic of Kazakhstan in the total amount of KZT 140,000,000 thousand bearing a nominal interest rate of 0.01% and maturing on 15 December 2024 and 30 November 2025, in equal instalments. The loan was received as part of Ken Dala government programme aimed at supporting enterprises in their spring field and harvesting works. The loan received was distributed to Halyk Bank of Kazakhstan JSC for a total of KZT 52,177,500 thousand and Bank CenterCredit JSC for a total of KZT 4,000,000 thousand with a condition of meeting further the special purpose prescribed under the above-mentioned programme and directly to customers for a total of KZT 79,627,500 thousand.

The discount of KZT 19,955,981 thousand (unaudited) on initial recognition of loans received was treated as liability on government grant with its partial utilisation during the six months ended 30 June 2024 (*Note 13*). Unwinding of the discount of KZT 4,813,396 thousand was recognised within interest expense on amounts due to the Government of the Republic of Kazakhstan. The Group applied the estimated market interest rates varying from 12.89% to 14.10% p.a. to measure the fair value of the loan tranches on initial recognition by discounting future contractual cash flows.

11. Amounts due to state and budget organisations

	<i>Year of maturity</i>	<i>Nominal interest rate p.a., %</i>	<i>Currency</i>	<i>30 June 2025 (unaudited)</i>	<i>31 December 2024</i>
Loans repayable to state and budget organisations	2024–2033	0.01%	KZT	154,211,874	168,265,309
Loans repayable to state and budget organisations	2027–2030	1.00%	KZT	1,421,484	1,330,027
				155,633,358	169,595,336

During the six months ended 30 June 2025, the Group received a loan of KZT 1,000,000 thousand (unaudited) for the purpose of providing loans to the end borrowers to support small and medium-sized businesses in rural areas through lending of the end borrowers, including lending of startup projects in Atyrau Region. The loan bears an interest rate of 1.00% p.a. and matures in 2030 (unaudited). The Group recognised a discount in the amount of KZT 471,792 thousand (unaudited) on initial recognition in the interim condensed statement of financial position as a liability for government grant, which was partially used in the respective periods. The Group applied estimated market interest rate of 15.73% p.a. (unaudited) to measure the fair value of the above loans on initial recognition by discounting future contractual cash flows.

During the six months ended 30 June 2024, the Group received a loan of KZT 480,000 thousand for the purpose of providing loans to the end borrowers as part of support for small and medium-sized businesses in rural areas through lending of the end borrowers, including lending of startup projects in Atyrau Region. The loan bears an interest rate of 1% per annum and matures in 2029. The Group recognised a discount in the amount of KZT 203,740 thousand (unaudited) on initial recognition in the condensed interim statement of financial position as a liability for government grant, which was partially used in the respective periods. The Group applied estimated market interest rate of 13.44% per annum to measure the fair value of the above loans on initial recognition by discounting future contractual cash flows.

As at 30 June 2025 and 31 December 2024, the Group complied with restrictive covenants under the agreements with creditors.

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12. Debt securities issued

KZT-denominated debt securities issued comprise the following captions:

	Placement date	Maturity date	Interest rate per annum, %	Nominal value		Carrying amount	
				30 June 2025 (unaudited)	31 December 2024	30 June 2025 (unaudited)	31 December 2024
Fixed income bonds (KZ2C00012615, 28 November 2024, AGKKpp5)	28 March 2026	15.00%	100,000,000	100,000,000	101,333,333	100,000,000	
Fixed income bonds (KZ2C00013522, 7 April 2025, AGKKpp8)	7 July 2026	17.50%	100,000,000	–	104,034,722	–	
Fixed income bonds (KZ2C00013001, 26 December 2024, AGKKpp6)	26 March 2026	15.50%	100,000,000	100,000,000	100,172,222	100,172,222	
Issue of coupon bonds	22 July 2024	22 July 031	15.75%	100,000,000	100,000,000	74,972,822	99,971,539
Fixed income bonds (KZ2C00014025, 15 May 2025, AGKKpp10)	20 May 2026	17.43%	60,000,000	–	61,317,995	–	
Fixed income bonds	28 July 2022	28 July 2029	16.85%	50,000,000	50,000,000	52,703,512	52,635,248
Fixed income bonds (KZ2C00011344, 23 May 2024, AGKKpp2)	23 May 2029	13.96%	50,000,000	50,000,000	50,717,389	50,717,389	
Issue of coupon bonds	23 May 2024	23 May 2029	13.96%	50,000,000	50,000,000	50,717,024	50,420,528
Issue of coupon bonds	12 June 2025	12 June 2030	18.00%	50,000,000	–	50,327,814	–
Issue of coupon bonds	12 June 2025	12 June 2030	18.00%	50,000,000	–	50,317,984	–
Fixed income bonds (KZ2C00013639, 10 April 2025, AGKKpp9)	10 April 2026	17.20%	44,300,000	–	45,993,245	–	
Issue of coupon bonds	8 May 2025	8 May 2030	17.40%	50,000,000	–	49,978,091	–
Fixed income bonds	20 August 2021	20 August 2028	11.90%	40,000,000	40,000,000	41,631,195	41,618,434
Fixed income bonds (1st issue of the 4th bond programme)	10 October 2019	10 October 2026	10.75%	39,475,017	39,475,017	40,419,103	40,417,043
Fixed income bonds (6th issue of the 4th bond programme)	30 June 2021	10 December 2031	15.00%	35,000,000	35,000,000	39,739,649	39,978,870
Fixed income bonds (KZ2C00011823, 10 September 2024, AGKKpp4)	September 2025	15.00%	35,000,000	35,000,000	36,604,167	35,000,000	
Fixed income bonds (9th issue of the 4th bond programme)	21 December 2021	21 December 2031	11.50%	30,000,000	30,000,000	31,820,833	30,095,833
Fixed income bonds (2nd issue of the 4th bond programme)	6 August 2020	26 August 2030	10.75%	30,496,202	30,496,202	31,583,043	31,582,572
Fixed income bonds (KZ2C00013571, 5 March 2025, AGKKpp7)	5 March 2030	3.39%	31,187,900	–	31,260,230	–	
Fixed income bonds	21 December 2021	21 December 2031	11.50%	25,000,000	25,000,000	26,516,747	25,079,216
Fixed income bonds (2nd issue of the 3rd bond programme)	12 July 2023	12 July 2030	19,25%	20,000,000	20,000,000	21,747,597	21,755,843
Issue of coupon bonds	30 January 2024	30 January 2028	15.75%	15,000,000	15,000,000	15,988,258	15,987,857
Issue of coupon bonds	30 January 2024	30 January 2028	15.75%	10,000,000	10,000,000	10,658,839	10,658,571
Fixed income bonds (4th issue of the 3rd bond programme)	27 May 2021	27 May 2026	11.50%	9,350,000	9,350,000	9,451,552	9,451,552
Fixed income bonds (1st issue of the 1st bond programme) recognised as a result of business combination	30 December 2014	30 March 2026	10.07%	5,189,000	5,189,000	5,450,266	5,189,000
Fixed income bonds (2nd issue of the 3rd bond programme)	22 December 2016	22 June 2026	14.00%	5,000,000	5,000,000	5,367,264	5,017,146
Fixed income bonds (7th issue of the 4th bond programme)	27 October 2021	27 October 2031	7.10%	5,000,000	5,000,000	4,235,664	4,006,926

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	Placement date	Maturity date	Interest rate per annum, %	Face value		Carrying amount	
				30 June		30 June	
				2025 (unaudited)	31 December 2024	2025 (unaudited)	31 December 2024
Fixed income bonds (2nd issue of the 1st bond programme) recognised as a result of business combination	21 October 2015	21 April 2026	10.07%	2,300,000	2,300,000	2,345,035	2,345,035
Fixed income bonds (KZ2C00011302, AGKKpp1)	16 May 2024	16 May 2025	15.00%	–	100,000,000	–	100,000,000
Fixed income bonds (KZ2C000011435, AGKKpp3)	21 June 2024	21 June 2025	15.00%	–	50,000,000	–	50,000,000
Fixed income bonds (KZ2C00011435, AGKKpp3 tranche 2)	30 July 2024	21 June 2025	15.00%	–	29,533,580	–	29,533,580
Issue of coupon bonds	27 June 2022	30 April 2025	13.00%	–	15,000,000	–	14,911,594
Fixed income bonds	28 November 2022	30 April 2025	14.50%	–	10,000,000	–	10,132,480
				1,142,298,119	961,343,799	1,147,405,595	976,678,478

During the six months ended 30 June 2025, the Group issued bonds with total face value of KZT 383,729,200 thousand (unaudited):

- unsecured bonds with total face value of KZT 100,000,000 thousand (KZ2C00013522), issued at a coupon rate of 17.50% p.a. and maturing before 7 July 2026. Proceeds from the bond issue were used to finance entities operating in the agro–industrial complex, for carrying out spring field and harvesting works;
- unsecured bonds with total face value of KZT 60,000,000 thousand (KZ2C00014025) issued at coupon rate of 17.43% p.a. and maturing before 20 May 2026. Proceeds from the bond issue were used to finance entities operating in the agro–industrial complex, for carrying out spring field and harvesting works.

In accordance with the Rules on Subsidising Coupon Rates on Bonds, approved by the Order of the Minister of Agriculture of the Republic of Kazakhstan of 24 December 2019, No.457, the coupon rate on the above two bond issues is to be subsidised at 100%, by funds from the reserve of the Government of the Republic of Kazakhstan, in accordance with the Decree of the Government of the Republic of Kazakhstan of 24 February 2025, No.93 provided for in the Republican Budget Law for 2025–2027 dated 4 December 2024 No.141–VII 3PK. The total amount of short–term subsidy receivables is KZT 32,476,260 thousand: the amounts of KZT 21,875,000 thousand and KZT 10,601,260 thousand, respectively, were recognised in receivables from the Government of the Republic of Kazakhstan in the condensed unconsolidated interim statement of financial position of the Group. However, subsidies are provided subject to certain conditions. Specifically, the Group shall provide loans at preferential rates, financed with bonds issued by the conclusion of a loan agreement. At that, it is allowed to replace credit facilities provided earlier under loan agreements concluded from 1 January 2024, for carrying out spring field and harvesting works, by these bonds. A preferential rate financed with bonds issued, applied to borrowers, except credit unions, second–tier banks, social and entrepreneurship corporations, regional investment centres, and microfinance organisations, and to ultimate borrowers is set at up to 5.00% p.a.; and that applied to credit unions, second–tier banks, social and entrepreneurship corporations, regional investment centres, and microfinance organisations is set at up to 3.00% p.a.:

- unsecured bonds with total face value of CNY 430,000 thousand (KZT 29,429,200 thousand) (KZ2C00013571) issued at a floating coupon rate not exceeding 1.44%+3–month Shibor p.a. (the rate is reviewed every three months and as at 30 June 2025 it is 3.092% p.a.) and maturing before 5 March 2030. Proceeds from the bond issued in CNY were used to finance entities operating in agro–industrial complex;
- unsecured bonds with total face value of KZT 44,300,000 thousand (KZ2C00013639) issued at a coupon rate of 17.20% p.a. and maturing before 10 April 2026. Proceeds from the bond issue were used to finance entities operating in the agro–industrial complex;
- unsecured bonds with total face value of KZT 50,000,000 thousand issued at a coupon rate of 17.40% p.a. and maturing before 8 May 2030. Proceeds from the bond issue were used to finance purchases of agricultural machinery for subsequent transfer under lease agreements (unaudited);
- unsecured bonds with total face value of KZT 50,000,000 thousand issued at a coupon rate of 18.00% p.a. and maturing before 12 June 2030. Proceeds from the bond issue were used to finance purchases of agricultural machinery for subsequent transfer under lease agreements (unaudited);
- unsecured bonds with total face value of KZT 50,000,000 thousand issued at a coupon rate of 18.00% p.a. and maturing before 12 June 2030. Proceeds from the bond issue were used to finance purchases of agricultural machinery for subsequent transfer under lease agreements (unaudited).

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For the purposes of supporting manufacturers engaged in agricultural sector, the Government of the Republic of Kazakhstan developed a programme aimed at subsidising a coupon rate on debt securities issued, for the purpose of reducing interest rates for lessees. During 2024, the Group received government grants to fund coupon bonds KAFIpp7, in the amount of KZT 15,750,000 thousand, and coupon bonds KAFIpp6, in the amount of KZT 2,792,000 thousand. In May 2025, the Group received government grants to fund coupon bonds KAFIpp8, in the amount of KZT 8,700,000 thousand.

During the six months of 2025, the Group made a prepayment for the total amount of the subsidised coupon rate on the above debt securities issued. The prepaid amount was offset as soon as an interest expense on related debt securities issued had been recognised. As at 30 June 2025 the prepayments amounted to KZT 52,994,585 thousand (31 December 2024: KZT 25,836,773 thousand).

During the six months ended 30 June 2025, the Group repaid bonds for the total nominal value of KZT 229,533,580 thousand (unaudited):

- unsecured bonds with total face value of KZT 100,000,000 thousand (KZ2C000011302) issued at a coupon rate of 15.00% p.a. and maturing before 16 May 2025. Proceeds from the bond issue were used to finance entities operating in the agro-industrial complex, for carrying out spring field and harvesting works;
- unsecured bonds with total face value of KZT 79,533,580 thousand (KZ2C000011435) issued at a coupon rate of 15.00% p.a. and maturing before 21 June 2025. Proceeds from the bond issue were used to finance entities operating in the agro-industrial complex, for carrying out spring field and harvesting works;
- unsecured bonds with total face value of KZT 15,000,000 thousand (KZ2C00008597 (KAFIpp2)) issued at a coupon rate of 13.00% p.a. and maturing before 30 April 2025 (unaudited);
- unsecured bonds with total face value of KZT 10,000,000 thousand (KZ2C00009116 (KAFIpp3)) issued at a coupon rate of 14.50% p.a. and maturing before 30 April 2025 (unaudited);
- on 5 June 2025, the Group executed a partial early redemption of bonds KZ2C00011674 (KAFIpp7) in the amount of KZT 25,000,000 thousand. As at the reporting date, the nominal value of the bonds is KZT 75,000,000 thousand.

During the six months ended 30 June 2024, the Group issued bonds with total face value of KZT 275,000,000 thousand (unaudited):

- unsecured commercial bonds with total face value of KZT 100,000,000 thousand (KZ2C00011302) issued at a coupon rate of 15.00% p.a. and maturing before 16 May 2025 (unaudited). Proceeds from the bond issue were used to finance entities operating in the agro-industrial complex, for carrying out spring field and harvesting works;
- unsecured commercial bonds with total face value of KZT 50,000,000 thousand (KZ2C00011435) issued at a coupon rate of 15.00% p.a. and maturing before 21 June 2025. Proceeds from the bond issue were used to finance entities operating in the agro-industrial complex, for carrying out spring field and harvesting works.

In accordance with the Rules on Subsidising Coupon Rates on Bonds, approved by the Order of the Minister of Agriculture of the Republic of Kazakhstan of 24 December 2019, No. 457, the coupon rate on the bond issues mentioned above is to be subsidised at 100%, by funds from the reserve of the Government of the Republic of Kazakhstan, in accordance with the Decree of the Government of the Republic of Kazakhstan of 11 May 2024, No.363. The total amount of short-term subsidies is KZT 22,500,000 thousand: KZT 15,000,000 thousand and KZT 7,500,000 thousand, respectively, and recognised a part of receivables from the Government of the Republic of Kazakhstan in the condensed consolidated interim statement of financial position of the Group. However, subsidies are provided subject to certain conditions. Specifically, the Group shall provide loans at preferential rates, financed with bonds issued by the conclusion of a loan agreement. At that, it is allowed to replace credit facilities provided earlier under loan agreements concluded from 1 January 2024, for carrying out spring field and harvesting works, by these bonds. A preferential rate financed with bonds issued, applied to borrowers, except credit unions, second-tier banks, social and entrepreneurship corporations, regional investment centres, and microfinance organisations, and to ultimate borrowers is set at up to 5.00% p.a.; and that applied to credit unions, second-tier banks, social and entrepreneurship corporations, regional investment centres, and microfinance organisations is set at up to 3.00% p.a.:

- coupon bonds with total face value of KZT 50,000,000 thousand (KZ2C00011344) issued at coupon rate of 13.96% p.a. and maturing within 5 years. Proceeds from the bond issue were used to finance projects in the agro-industrial complex;
- coupon bonds with a face value of KZT 15,000,000 thousand issued at a coupon rate of 15.75% p.a. and maturing before 30 January 2028. Debt securities were issued to finance purchase of various agricultural equipment for further transfer under lease agreements (unaudited);
- coupon bonds with a face value of KZT 10,000,000 thousand issued at a coupon rate of 15.75% p.a. and maturing before 30 January 2028. Debt securities were issued for general corporate purposes (unaudited);

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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- coupon bonds with a face value of KZT 50,000,000 thousand issued at a coupon rate of 13.96% p.a. and maturing before 23 May 2029. Debt securities were issued to finance purchase of various agricultural equipment for further transfer under lease agreements (unaudited).

Due to maturity of bonds (KZ2C00003267 (KAFIb4), on 24 June 2024 the Group redeemed these bonds with a face value of KZT 3,950,000 thousand (unaudited).

As at 30 June 2025 the Group is in compliance with the requirements related to the restrictive covenants for debt securities issued (unaudited) (31 December 2024: complied).

13. Government grants

	<i>30 June 2025</i> <i>(unaudited)</i>	<i>31 December 2024</i>
Government grants received from the Government of the Republic of Kazakhstan in the form of a loan from state and budget organisations and Shareholder	56,192,015	55,184,417
Government grants received from the Government of the Republic of Kazakhstan through the Ministry of Agriculture to reimburse interest expense on debt securities issued	26,156,962	36,776,114
Government grants received from the Ministry of Agriculture under a direct subsidy agreement	7,032,923	–
Government grants received from the Ministry of Agriculture to partially subsidise the principal and interest on loans issued to the borrowers and under finance lease agreements	10,732,710	6,485,550
Government grants	100,114,610	98,446,081

Government grants from the Government of the Republic of Kazakhstan

The Group recorded as government grants the amount of benefits received in the form of loans at low interest rates extended by the state and budget organisations, and the Shareholder and to reimburse interest expenses on debt securities issued:

	<i>Unaudited</i> <i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
At 1 January	91,960,531	63,147,121
Government grants received from the Government of the Republic of Kazakhstan in the form of a loan from state and budget organisations (<i>Note 11</i>)	471,792	203,740
Government grants received from the Government of the Republic in the form of a loan from the Ministry of Finance (<i>Note 10</i>)	21,687,736	19,955,981
Government grants received from the Government of the Republic of Kazakhstan through the Ministry of Agriculture to reimburse interest expenses on debt securities issued (<i>Note 12</i>)	41,176,260	22,500,000
Utilisation of government grants to issue loans to eligible customer–borrowers under the Government Programme for the Development of Productive Employment and Mass Entrepreneurship for 2017–2021 (“Isker”) (<i>Note 6</i>)	(479,381)	(530,465)
Utilisation of government grants to issue loans to eligible customer–borrowers under the Agribusiness (Bonds) Programme (<i>Note 8</i>)	(1,114,247)	–
Utilisation of government grants to issue loans to eligible banks under Ken Dala government programme (<i>Note 5</i>)	(6,911,263)	(4,630,496)
Utilisation of government grants to issue loans to eligible customer– borrowers under Ken Dala government programme (<i>Note 6</i>)	(9,133,093)	(10,979,330)
Utilisation of government grants to issue loans to eligible banks under Ken Dala 2 government programme (<i>Note 5</i>)	(106,412)	(1,315,584)
Utilisation of government grants to issue loans to eligible customer–borrowers under Ken Dala 2 government programme (<i>Note 6</i>)	(30,447,149)	(10,764,013)
Utilisation of a government grant to issue loans to eligible customers–borrowers as part of loans from the Holding	–	(718)
Utilisation of a government grant to issue loans to eligible customers–borrowers under the Employment Roadmap for 2020–2021 government programme and Enbek government programme (<i>Note 6</i>)	(540,753)	(1,538,350)
Utilisation of a government grant recognised by reducing respective interest expenses in the statement of profit or loss and other comprehensive income	(9,972,747)	–
Government grants received from the Industrial Development Fund JSC in the form of modification of terms (<i>Note 9</i>)	–	(2,074,623)
Amortisation for the period	(14,242,297)	(2,971,214)
At 30 June (unaudited)	82,348,977	71,002,049

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**for the six months ended 30 June 2025**

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Government grants received from the Ministry of Agriculture under a direct subsidy agreement

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
At 1 January	–	–
Received for the period	7,420,250	–
Utilisation of government grants to issue loans to eligible banks under the Agribusiness for Food Industry government programme (<i>Note 5</i>)	(30,380)	–
Utilisation of a government grant to issue loans to eligible customers–borrowers under the Agribusiness for Food Industry government programme (<i>Note 6</i>)	(356,947)	–
At 30 June (unaudited)	7,032,923	–

During the six months ended 30 June 2025 the Group received government grants from the Ministry of Agriculture under a direct subsidy agreement in the amount of KZT 7,420,250 thousand in accordance with the Subsidy Rules approved by the Order of the Ministry of Agriculture of the Republic of Kazakhstan dated 26 October 2018, No.436. The funds received are intended to provide preferential loans bearing the interest rates from 1.50% to 5.00% p.a. to the entities operating in agro–industrial complex to support the food product industry and/or processing industry (processing of agricultural produce) under the Agribusiness for Food Industry programme. During the six months ended 30 June 2025, the Group partially utilised said grants to issue loans to the banks and customers (*Notes 5 and 6*).

Subsequent to initial recognition, the Group recorded in profit or loss an amount corresponding to the renegotiated loan on preferential terms for borrowers, once the Group had met government programme conditions. The Group is obligated to distribute benefits to end–borrowers by means of setting low interest rate on loans.

During the six months ended 30 June 2025, government grants transferred to profit or loss (*Note 17*) amounted to KZT 63,361,922 thousand (unaudited) and were included in ‘other income/(expenses), net’ (during the six months ended 30 June 2024: KZT 32,730,170 thousand).

In 2022 and 2023, the Group recognised as government grants the benefits of KZT 27,097,318 thousand and KZT 16,846,775 thousand, respectively, received as the result of receiving loans from Industrial Development Fund JSC at a low interest rate (the contractual interest rate of 0.35% p.a.) for the purpose of financing the preferential leasing programme for locally manufactured self–propelled agricultural equipment.

The benefits are to be allocated to the Group’s lessees by providing finance leases at favourable rates. The amortisation of subsidies for loans received from Industrial Development Fund JSC is recognised by reducing related interest expenses, in the statement of profit or loss and other comprehensive income.

In January 2024, the Group signed an addendum as to shorten the loan term, wherefore the amount of government grant reduced by KZT 2,074,623 thousand.

In July and November 2024 the Group recognised as government grants the amount of KZT 18,542,000 thousand received to cover expenses on coupon interest on debt securities issued (*Note 12*), and amount of KZT 8,700,000 thousand on May 2025 (*Note 12*). During the six months ended 30 June 2025, income from utilisation of government grants on debt securities issued of KZT 9,972,747 thousand (unaudited) was recognised by reducing the respective interest expenses in the statement of profit or loss.

As at 30 June 2025, the Group has receivables of KZT 14,897,717 thousand (31 December 2024: KZT 37,615,232 thousand) related to government grants from the Government of the Republic of Kazakhstan to cover expenses on coupon interest on debt securities issued that were recognised in accordance with the Rules on Subsidising Coupon Rates on Bonds approved by the Ministry of Agriculture of the Republic of Kazakhstan.

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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Government grants received from the Ministry of Agriculture to partially subsidise the principal and interest on loans issued to the borrowers and under finance lease agreements

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<u>2025</u>	<u>2024</u>
At 1 January	6,485,550	4,807,194
Received for the period for partial subsidising of principal and interest on loans to borrowers	11,684,024	11,751,946
Received for the period for partial subsidising of principal and interest under finance lease agreements	70,041,812	45,932,759
Utilisation by means of transfer of funds to particular borrowers that have met special conditions for partial subsidising of principal and interest on loans to borrowers	(6,617,661)	(7,258,094)
Utilisation by means of transfer of funds to particular borrowers that have met special conditions for partial subsidising of principal and interest under finance lease agreements	(65,068,002)	(41,791,694)
Returned due to the availability period expired	(5,614,110)	(4,758,477)
Returned to the Department of Agriculture (restructuring, past due more than 90 days overdue, partial and full repayment of the debt)	(178,903)	(906,033)
At 30 June (unaudited)	10,732,710	7,777,601

Government grants received from the Ministry of Agriculture are utilised to partially repay principal and interest owed by borrowers who have received loans for investment projects and to purchase new or previously unused machinery and equipment. To be eligible to receive these grants, borrowers must meet certain conditions.

14. Other liabilities

Other non-financial assets comprise the following items:

	<u>30 June 2025</u>	<u>31 December 2024</u>
	<i>(unaudited)</i>	
Advances received	6,807,886	5,131,334
Accrued employee benefit costs	302,466	548,932
Other taxes payable	177,689	230,169
Other	702,348	752,018
Other non-financial liabilities	7,990,389	6,662,453

Other financial assets comprise the following items:

	<u>30 June 2025</u>	<u>31 December 2024</u>
	<i>(unaudited)</i>	
Payables to suppliers	22,755,947	1,592,980
ECL allowance for contingent liabilities (<i>Note 19</i>)	2,105,421	1,635,507
Micro-loans to young people	850,798	891,189
Rural mortgages	188,159	70,276
Amount payable under an assignment contract	20,385	62,329
Liabilities to provide services of the operator	35,368	–
Other financial liabilities	25,956,078	4,252,281
Total other liabilities	33,946,467	10,914,734

As at 30 June 2025 (unaudited) and 31 December 2024, accounts payable to suppliers comprise mostly the Group's payables to suppliers for property to be subsequently transferred under a finance lease, as follows:

	<u>30 June 2025</u>	<u>31 December 2024</u>
	<i>(unaudited)</i>	
Agricultural machinery	22,007,446	505,515
Equipment	434,738	365,798
Cattle stock	923	828
Other	312,840	720,839
Payables to suppliers	22,755,947	1,592,980

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15. Equity*Share capital*

As at 30 June 2025, the number of registered and issued ordinary shares of the Company is 427,059,079, which are fully paid by the Sole Shareholder (31 December 2024: 427,059,079 ordinary shares). As at 30 June 2025, the share capital amounts to KZT 428,284,724 thousand (unaudited) (31 December 2024: KZT 428,284,724 thousand).

Reserve capital

During the six months ended 30 June 2025, the Group increased reserve capital by KZT 18,103,380 thousand (during the six months ended 30 June 2024: KZT 8,864,130 thousand). In accordance with the Group’s policy, reserve capital is established to cover general risks including future losses and other contingent risks and circumstances. Reserve capital is subject to distribution based on the decision of the Shareholder. As at 30 June 2025, reserve capital is KZT 46,671,932 thousand (unaudited) (31 December 2024: KZT 28,568,552 thousand).

Dividends

During the six months ended 30 June 2025, in accordance with the decision of the Sole Shareholder of 30 May 2024, the Company declared dividends of KZT 42,253,225 thousand or KZT 98.94 per ordinary share for the year ended 31 December 2024. Dividends were paid on 30 May 2025.

During the six months ended 30 June 2024, in accordance with the decision of the Sole Shareholder of 30 May 2024, the Group declared dividends of KZT 20,691,012 thousand or KZT 48.45 per ordinary share for the year ended 31 December 2023. Dividends were paid on as at 30 June 2024.

The book value per ordinary share calculated in accordance with the methodology of Kazakhstan Stock Exchange is as follows:

	<i>30 June 2025</i> <i>(unaudited)</i>	<i>31 December 2024</i>
Assets	2,228,637,563	1,991,240,427
Less intangible assets	(713,836)	(790,858)
Less liabilities	(1,727,933,564)	(1,500,726,291)
Net assets	499,990,163	489,723,278
Number of ordinary shares	427,059,079	427,059,079
Carrying amount of one ordinary share (KZT)	1,170.78	1,146.73

16. Expenses on credit losses

	<i>Unaudited</i> <i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Loans to customers*	(9,807,477)	(2,150,453)
Other financial assets	1,496,588	(109,978)
Loans to banks	(126,795)	(219,465)
Finance lease	6,263,551	(12,403,977)
Cash and cash equivalents	2,315	(2,621)
Investment securities	720	127
Credit related commitments	(469,914)	113,274
Expenses on credit losses*	(2,641,012)	(14,773,093)

*The amount of expenses on credit losses for the six months ended 30 June 2025 differs from the total amount of expenses on credit losses recognised in the consolidated interim condensed statement of profit or loss by the amount of losses on modification that does not result in derecognition, in the total amount of KZT 5,522,988 thousand (unaudited) (for the six months ended 30 June 2024: by KZT 2,082,224 thousand).

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17. Other income, net

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Other income from utilisation of government grants (<i>Note 13</i>)	49,119,625	29,758,956
Amortisation of government grant (<i>Note 13</i>)	14,242,297	2,971,214
Loss on initial recognition of loans to customers under Ken Dala 2 government programme (<i>Note 6</i>)	(30,447,149)	(10,764,013)
Loss on initial recognition of loans to customers under Ken Dala 2 government programme (<i>Note 6</i>)	(9,133,093)	(10,979,330)
Loss on initial recognition of other loans to customers (<i>Note 6</i>)	(8,222,995)	(2,827,925)
Loss on initial recognition on loans to banks under Ken Dala government programme (<i>Note 5</i>)	(6,911,263)	(4,630,496)
Loss on initial recognition on loans to customers under Agribusiness (bonds) government programme (<i>Note 6</i>)	(1,114,247)	–
Loss on initial recognition of loans to customers under Employment Roadmap for 2020–2021 programme and Enbek programme (<i>Note 6</i>)	(540,753)	(1,538,350)
Loss on initial recognition on loans to customers under Isker government programme (<i>Note 6</i>)	(479,381)	(530,465)
Loss on initial recognition on loans to customers under Agribusiness (bonds) for Food Industry (<i>Note 6</i>)	(356,947)	–
Loss on initial recognition of loans to banks under Ken Dala –2 government programme (<i>Note 5</i>)	(106,412)	(1,315,584)
Loss on initial recognition of loans to banks under Agribusiness (bonds) for Food Industry (<i>Note 5</i>)	(30,380)	–
Loss on initial recognition of loans to customers provided as part of the loan received from the Holding (<i>Note 6</i>)	–	(718)
Agency fees on rural mortgages and micro-loans to young people	230,290	279,988
Other (expenses)/income	(853,332)	709,656
Other income, net	5,396,260	1,132,933

Other income from utilisation of government grants was recognised as income based on the results of compliance with the terms of the relevant government programmes (*Note 13*).

18. Corporate income tax

The corporate income tax expense comprises:

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Current corporate income tax expense	(10,183,237)	(8,911,154)
Deferred corporate income tax benefit/(expense) – origination and decrease of temporary differences	3,785,673	3,296,809
Corporate income tax expense	(6,397,564)	(5,614,345)
Deferred income tax recognised in profit or loss	3,785,673	3,296,809
Deferred corporate income tax benefit/(expense) – origination and decrease of temporary differences	3,785,673	3,296,809

The Group's applicable tax rate for current and deferred tax is 20% (2024: 20%).

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the consolidated interim condensed financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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Reconciliation of effective income tax rate:

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Profit before income tax	58,840,652	33,168,171
Income tax at the applicable tax rate	(11,768,130)	(6,633,634)
Statutory corporate income tax rate	20%	20%
Non-taxable income from government securities	12,793	11,632
Non-taxable income/(non-deductible expenses) on credit losses	1,782,340	(3,172,937)
Non-taxable interest income on finance lease receivables	4,972,928	4,018,523
Other non-taxable income	45,963	749,158
Other non-deductible expenses	(761,458)	(120,191)
Withholding CIT expenses	(682,000)	(466,896)
Corporate income tax expense	(6,397,564)	(5,614,345)

19. Commitments and contingencies

Taxation

Kazakhstani commercial, and in particular, tax legislation contains regulations, interpretation of which could vary, and in certain cases, the legislation could be amended with indirect retrospective impact. Also, the Group's management interpretation of the legislation may differ from that of tax authorities, and as a result, transactions carried out by the Group could be estimated by tax authorities in another way, and this could result in an additional charge of taxes, fines and penalties. The Group's management believes that all necessary tax accruals were fulfilled and, correspondingly, there were no allowances charged in the statements. Tax periods remain open for 5 (five) years. Management believes that its interpretation of the legislation as at 30 June 2025 and 31 December 2024 is appropriate and the Group's positions in terms of taxes, currency legislation and customs duties will be confirmed.

Legal matters

In the normal course of business, the Group is the subject of legal actions and claims. Management believes that the potential liabilities, if any, resulting from such actions and claims will not have a material adverse effect on the Group's future financial position or performance.

Management is unaware of any significant actual, pending or threatened claims against the Group.

Credit related commitments

Commitments and contingent liabilities of the Group comprise the following items:

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>(unaudited)</i>	
Credit related commitments		
Loan commitments	234,366,773	250,123,578
Finance lease commitments	6,663,652	6,190,406
Allowance for expected credit losses	(2,105,421)	(1,635,507)
	238,925,004	254,678,477
Operating lease liabilities		
Up to 1 year	84,522	78,895
Commitments and contingencies	239,009,526	254,757,372

Credit related commitments

The total outstanding contractual commitments above do not necessarily represent future cash requirements, as these credit related commitments may expire or terminate without being funded.

The loan commitment agreements provides for the right of the Group to unilaterally withdraw from an agreement if unfavourable conditions arise for the Group, and if no resources for lending are available.

The following is an analysis of movements in ECL allowance:

	<i>Unaudited</i>	
	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>Stage 1</i>	<i>Stage 1</i>
Loan commitments		
At 1 January	1,635,507	2,149,547
Movement in ECLs during the year	469,914	(113,274)
30 June	2,105,421	2,036,273

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20. Fair value of financial instruments

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

The following table provides an analysis of financial instruments whose fair values are disclosed by levels of the hierarchy of sources of fair value:

	Valuation date	Fair value measurement using			Total
		Input data of Level 1	Input data of Level 2	Input data of Level 3	
30 June 2025 (unaudited)					
Assets with a disclosed fair value					
Cash and cash equivalents	30 June 2025	–	422,557,807	–	422,557,807
Amounts due from credit institutions	30 June 2025	–	2,972,866	–	2,972,866
Loans to banks	30 June 2025	–	98,406,518	–	98,406,518
Loans to customers	30 June 2025	–	808,323,247	112,070,726	920,393,973
Finance lease receivables	30 June 2025	–	438,130,867	78,230,748	516,361,615
Receivables from the Government of the Republic of Kazakhstan	30 June 2025	–	14,897,717	–	14,897,717
Coupon prepayments on debt securities issued	30 June 2025	–	52,994,585	–	52,994,585
Other financial assets	30 June 2025	–	4,944,527	–	4,944,527
		–	–	–	–
Liabilities whose fair value is disclosed					
Amounts due to the Shareholder	30 June 2025	–	68,519,791	–	68,519,791
Amounts due to credit institutions	30 June 2025	–	63,653,022	–	63,653,022
Amounts due to the Government of the Republic of Kazakhstan	30 June 2025	–	130,064,243	–	130,064,243
Amounts due to the state and budget organisations	30 June 2025	–	140,877,681	–	140,877,681
		–	1,100,740,26	–	1,100,740,26
Debt securities issued	30 June 2025	–	6	–	6
Other financial liabilities	30 June 2025	–	25,956,078	–	25,956,078
		–	–	–	–
At 31 December 2024					
Assets with a disclosed fair value					
Cash and cash equivalents	31 December 2024	–	430,783,789	–	430,783,789
Amounts due from credit institutions	31 December 2024	–	2,433,970	–	2,433,970
Loans to banks	31 December 2024	–	78,779,768	–	78,779,768
Loans to customers	31 December 2024	–	710,358,704	71,829,751	782,188,455
Finance lease receivables	31 December 2024	–	379,634,869	97,673,238	477,308,107
Receivables from the Government of the Republic of Kazakhstan	31 December 2024	–	37,615,232	–	37,615,232
Coupon prepayments on debt securities issued	31 December 2024	–	25,836,773	–	25,836,773
Other financial assets	31 December 2024	–	4,586,196	–	4,586,196
		–	–	–	–
Liabilities whose fair value is disclosed					
Amounts due to the Shareholder	31 December 2024	–	75,636,518	–	75,636,518
Amounts due to credit institutions	31 December 2024	–	84,233,772	–	84,233,772
Amounts due to the state and budget organisations	31 December 2024	–	166,112,826	–	166,112,826
Amounts due to the Government of the Republic of Kazakhstan	31 December 2024	–	62,802,311	–	62,802,311
Debt securities issued	31 December 2024	–	989,227,626	–	989,227,626
Other financial liabilities	31 December 2024	–	4,252,310	–	4,252,310

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Financial instruments not measured at fair value in the consolidated interim condensed statement of financial position

A comparison of the carrying amounts and fair values of the Group's financial instruments presented in the financial statements is provided below. Fair values of non-financial assets and non-financial liabilities are not presented in the table.

	<i>30 June 2025 (unaudited)</i>		
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Unrecognised profit / (loss)</i>
Financial assets			
Cash and cash equivalents	422,557,807	422,557,807	–
Amounts due from credit institutions	2,972,866	2,972,866	–
Loans to banks	98,810,032	98,406,518	(403,514)
Loans to customers	993,785,188	920,393,973	(73,391,215)
Finance lease receivables	576,674,194	516,361,615	(60,312,579)
Receivables from the Government of the Republic of Kazakhstan	14,897,717	14,897,717	–
Coupon prepayments on debt securities issued	52,994,585	52,994,585	–
Other financial assets	4,944,527	4,944,527	–
Financial liabilities			
Amounts due to the Shareholder	86,428,261	68,519,791	17,908,470
Amounts due to credit institution	64,666,452	63,653,022	1,013,430
Amounts due to the state and budget organisations	155,633,358	140,877,681	14,755,677
Amounts due to the Government of the Republic of Kazakhstan	131,695,618	130,064,243	1,631,375
Debt securities issued	1,147,405,595	1,100,740,266	46,665,329
Other financial liabilities	25,956,078	25,956,078	–
Total unrecognised change in unrealised fair value			(52,133,027)
	<i>31 December 2024</i>		
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Unrecognised profit / (loss)</i>
Financial assets			
Cash and cash equivalents	430,783,789	430,783,789	–
Amounts due from credit institutions	2,433,970	2,433,970	–
Loans to banks	78,341,329	78,779,768	438,439
Loans to customers	832,619,650	782,188,455	(50,431,195)
Finance lease receivables	553,719,699	477,308,107	(76,411,592)
Receivables from the Government of the Republic of Kazakhstan	37,615,232	37,615,232	–
Coupon prepayments on debt securities issued	25,836,773	25,836,773	–
Other financial assets	4,586,196	4,586,196	–
Financial liabilities			
Amounts due to the Shareholder	84,563,613	75,636,518	8,927,095
Amounts due to credit institution	82,680,223	84,233,772	(1,553,549)
Amounts due to the state and budget organisations	169,595,336	166,112,826	3,482,510
Amounts due to the Government of the Republic of Kazakhstan	62,631,531	62,802,311	(170,780)
Debt securities issued	976,678,478	989,227,626	(12,549,148)
Other financial liabilities	4,252,310	4,252,310	–
Total unrecognised change in unrealised fair value			(128,268,220)

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

Assets which fair value approximates their present value

For financial assets and financial liabilities that are liquid or have a short maturity (less than three months), it is assumed that their present value approximates fair value. This assumption is also applied to demand deposits, and savings accounts without a specific maturity.

Fixed and floating rate financial instruments

For listed debt instruments, the fair value is based on quoted market prices. In case of non-quoted debt instruments, a discounted cash flow model is used using the current interest rate, taking into account the remaining period to maturity for debt instruments with similar terms and credit risk.

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For loans to customers, future cash flows are discounted using an average market rate of financial instruments with similar maturities, based on a credit spread for a respective rating, adjusted for averaged maturity 10 years, published by Bloomberg. This approach was used to measure the fair value of loans to customers. For loans to banks, future cash flows are discounted using the market interest rates calculated using the build-up model, using all observable inputs such as KASE yield curve. As at June 2025, the average market interest rate was 20.18% – 22.98% p.a. (unaudited) (31 December 2024: 17.20% – 25.20% p.a.).

For liabilities whose fair value is disclosed in the financial statements, future cash flows are discounted using the market interest rates calculated using the build-up model, using all observable inputs such as KASE yield curve and credit spread for the rating of the Group adjusted for maturity, published by Bloomberg. As at 30 June 2025, the market interest rate used to measure the fair value of loans raised was 13.74% – 16.87% p.a. (unaudited) (31 December 2024: 12.89% – 14.10% p.a.). Future cash flows include repayment of a principal debt and interest calculated at the contractual interest rate applied to the principal debt.

21. Risk management

Management of risk is 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.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Management Board has set limits on positions by currency based on the NBRK recommendations. Positions are monitored daily.

The table below indicates the currencies to which the Group had significant exposure at 30 June 2025 on its non-trading monetary assets and liabilities and its forecast cash flows. The analysis calculated the effect of a possible change in exchange rates in relation to tenge on the statement of profit or loss (due to non-trading monetary assets and liabilities whose fair value is sensitive to changes in the exchange rates). The effect on equity does not differ from the effect on the statement of profit or loss. The analysis assumes that all other variables remain constant. The negative amount in the table reflects a potential net reduction in the statement of profit or loss or equity, while a positive amount reflects a net potential increase.

<i>Currency</i>	<i>Exchange rate change, % 30 June 2025</i>	<i>Unaudited</i>		<i>Exchange rate change, % 31 December 2024</i>	<i>Effect on pre-tax profit 31 December 2024</i>
		<i>Effect on pre-tax profit 30 June 2025</i>			
USD	-10%	(216,201)		-10%	(224,126)
USD	10%	216,201		10%	224,126
EUR	-20%	(21,510)		-20%	22,681
EUR	20%	21,510		20%	(22,681)
CNY	-10%	(2,250,635)		-	-
CNY	10%	2,250,635		-	-

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk comprises currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate, currency 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. Overall authority for market risk is vested in the Risk Management Department. The Group manages its market risk by setting open position limits in relation to financial instruments, interest rate maturity and currency positions and stop-loss limits. These are monitored on a regular basis.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate for assets and liabilities of the Group is fixed. During the reporting period, the Group raised a bond-secured loan, with a floating interest rate linked to a three-month Shibor rate, and there is no interest rate risk as these funds were used to finance the borrower, providing it a loan on mirrored terms, also having a floating interest rate linked to a three-month Shibor rate. See below *Maturity analysis of assets and liabilities*.

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS**for the six months ended 30 June 2025**

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Maturity analysis of assets and liabilities

The following table shows assets and liabilities by expected maturities.

<i>(unaudited)</i>	<i>On demand</i>	<i>Less than 1 month</i>	<i>From 1 to 3 months</i>	<i>From 3 months to 1 year</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>No maturity</i>	<i>Total</i>
Assets								
Cash and cash equivalents	95,013,195	313,198,047	14,346,565	–	–	–	–	422,557,807
Amounts due from credit institutions	–	–	–	2,972,866	–	–	–	2,972,866
Loans to banks	–	2,148	5,881,652	92,926,232	–	–	–	98,810,032
Loans to customers*	80,813,547	8,547,688	40,011,665	408,986,898	330,287,367	125,138,023	–	993,785,188
Finance lease receivables	13,539,100	4,017,370	9,322,545	108,424,640	311,910,749	129,459,790	–	576,674,194
Assets held for sale	–	–	–	602,830	–	–	–	602,830
Receivables from the Ministry of Agriculture of the Republic of Kazakhstan	–	–	–	11,266,575	3,631,142	–	–	14,897,717
Property, plant and equipment	–	–	–	–	–	1,966,979	–	1,966,979
Intangible assets	–	–	–	–	–	713,836	–	713,836
Coupon prepayments on debt securities issued	–	1,709,375	4,337,500	46,869,167	78,543	–	–	52,994,585
Value added tax and other taxes recoverable	–	162,634	394,353	3,423,002	6,304,180	–	–	10,284,169
Current corporate income tax asset	–	–	–	377,395	–	–	–	377,395
Other assets	1,884,729	97,567	1,212,653	2,182,457	33,762,027	1,932,561	10,927,971	51,999,965
Total assets	191,250,571	327,734,829	75,506,933	678,032,062	685,974,008	259,211,189	10,927,971	2,228,637,563
Liabilities								
Amounts due to the Shareholder	–	295	368,658	7,366,630	15,347,511	63,345,167	–	86,428,261
Amounts due to the Government of the RK	–	–	878	70,238,694	61,456,046	–	–	131,695,618
Amounts due to credit institutions	–	–	148,408	14,165,204	40,189,459	10,163,381	–	64,666,452
Debt securities issued*	–	6,973,560	37,548,118	335,678,618	544,909,991	222,295,308	–	1,147,405,595
Amounts due to the state and budget organisations	–	45,777	1,785,378	44,801,641	95,707,884	13,292,678	–	155,633,358
Current estimated liabilities	–	–	–	1,474,843	–	–	–	1,474,843
Deferred corporate income tax liabilities	–	–	–	–	–	6,568,360	–	6,568,360
Government grants	–	1,813,195	10,899,231	15,515,185	32,572,558	39,313,094	–	100,113,263
Other liabilities	1,992,631	23,579,316	224,639	8,130,843	20,385	–	–	33,947,814
Total liabilities	1,992,631	32,412,143	50,975,310	497,371,658	790,203,834	354,977,988	–	1,727,933,564
Net position as at 30 June 2025 (unaudited)	189,257,940	295,322,686	24,531,623	180,660,404	(104,229,826)	(95,766,799)	10,927,971	500,703,999

*The Group has a floating-rate financial instrument, included in debt securities issued, with its carrying amount as at 30 June 2025 amounting to KZT 31,187,900 thousand (unaudited), and which interest rate is being revised according to the schedule, on a quarterly basis (Note 12). The next revision date is scheduled for 5 September 2025.

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As at 30 June 2025, included in loans to customers are floating-rate financial instruments with the total carrying amount of KZT 29,429,200 thousand (unaudited), for which the revision date is scheduled for 5 September 2025.

	<i>On demand</i>	<i>Less than 1 month</i>	<i>From 1 to 3 months</i>	<i>From 3 months to 1 year</i>	<i>From 1 to 5 years</i>	<i>More than 5 years</i>	<i>No maturity</i>	<i>Total</i>
Assets								
Cash and cash equivalents	69,204,915	352,573,424	9,005,450	–	–	–	–	430,783,789
Amounts due from credit institutions	–	–	–	2,433,970	–	–	–	2,433,970
Loans to banks	–	449,332	41,021,981	19,278,886	17,591,130	–	–	78,341,329
Loans to customers	71,383,294	10,240,325	127,605,473	138,864,427	353,267,617	131,258,514	–	832,619,650
Finance lease receivables	16,633,369	5,209,932	32,604,405	77,058,356	292,628,027	129,585,610	–	553,719,699
Receivables from the Government of the Republic of Kazakhstan	–	–	–	28,740,232	8,875,000	–	–	37,615,232
Assets held for sale	–	–	–	977,094	–	–	–	977,094
Property, plant and equipment	–	–	–	–	–	2,045,605	–	2,045,605
Intangible assets	–	–	–	–	–	790,858	–	790,858
Current corporate income tax assets	–	–	–	134,115	–	–	–	134,115
Value added tax and other taxes recoverable	–	204,074	951,706	2,638,516	7,026,006	–	–	10,820,302
Coupon prepayments on debt securities issued	–	–	13,599,226	12,237,547	–	–	–	25,836,773
Other assets	1,050,901	128,833	128,714	3,632,422	6,836,105	360,334	2,984,702	15,122,011
Total assets	158,272,479	368,805,920	224,916,955	285,995,565	686,223,885	264,040,921	2,984,702	1,991,240,427
Liabilities								
Amounts due to the Shareholder	–	547	570,142	6,965,791	14,943,227	62,083,906	–	84,563,613
Amounts due to the Government of the RK	–	447	895	62,630,189	–	–	–	62,631,531
Amounts due to credit institutions	–	8,835,352	2,996,866	21,041,983	40,222,315	9,583,707	–	82,680,223
Debt securities issued	–	6,973,560	1,852,952	242,237,571	479,355,265	246,259,130	–	976,678,478
Amounts due to the state and budget organisations	–	–	12,465,056	9,305,643	134,764,143	13,060,494	–	169,595,336
Current estimated liabilities	–	–	–	2,497,881	–	–	–	2,497,881
Deferred corporate income tax liabilities	–	–	–	–	–	10,354,033	–	10,354,033
Current corporate income tax liabilities	–	–	–	2,364,381	–	–	–	2,364,381
Government grants	–	96,141	4,822,024	19,406,317	32,873,972	41,247,598	–	98,446,052
Other liabilities	1,510,737	2,192,091	1,162,726	5,986,880	62,329	–	–	10,914,763
Total liabilities	1,510,737	18,098,138	23,870,661	372,436,636	702,221,251	382,588,868	–	1,500,726,291
Net position as at								
31 December 2024	156,761,742	350,707,782	201,046,294	(86,441,071)	(15,997,366)	(118,547,947)	2,984,702	490,514,136

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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22. Segment reporting

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 revenues are derived from operations in, and connected with, the Republic of Kazakhstan. The Chief Operating Decision Maker, in the case of the Group, the Chairman of the Management Board, receives and reviews the information on the Group as a whole.

23. Related party transactions

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may enter into transactions which unrelated parties might not. Prices and terms of such transactions may differ from prices and terms of transactions between unrelated parties. The Government of the Republic of Kazakhstan controls and exercises a significant influence over the Group's operations through the Shareholder.

The outstanding balances of related party transactions as at the end of the reporting period and respective amounts of income and expenses are provided below:

	30 June 2025 (unaudited)				31 December 2024			
	Rate (%)	Shareholder	Entities under common control of the Shareholder	Government-related organisations	Rate (%)	Shareholder	Entities under common control of the Shareholder	Government-related organisations
Assets								
Cash and cash equivalents	–	–	–	299,760,331	–	–	–	341,939,256
Loans to customers	1.5–5.00	–	–	165,944,790	1.5–5.00	–	–	114,188,606
Allowance for expected credit losses	–	–	–	(13,780,722)	–	–	–	(2,586,800)
Current corporate income tax assets	–	–	–	377,395	–	–	–	134,115
Value added tax and other taxes recoverable	–	–	–	10,284,169	–	–	–	10,820,302
Receivables from the Government of the Republic of Kazakhstan	–	–	–	14,897,717	–	–	–	37,615,232
Coupon prepayments on debt securities issued	–	52,994,585	–	–	–	25,836,773	–	–

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	<i>30 June 2025 (unaudited)</i>				<i>31 December 2024</i>			
	<i>Rate (%)</i>	<i>Shareholder</i>	<i>Entities under common control of the Shareholder</i>	<i>Government-related organisations</i>	<i>Rate (%)</i>	<i>Shareholder</i>	<i>Entities under common control of the Shareholder</i>	<i>Government-related organisations</i>
Liabilities								
Amounts due to the Shareholder	0.28–5.00	86,428,261	–	–	0.28–5.00	84,563,613	–	–
Amounts due to the Government of the Republic of Kazakhstan	0.01	–	–	131,695,618	0.01	–	–	62,631,531
Amounts due to the state and budget organisations	0.01–1.00	–	–	155,633,358	0.01–1.00	–	–	169,595,336
Amounts due to credit institutions	0.35–7.10	–	10,302,280	–	0.35–7.10	–	9,635,824	–
Debt securities issued	15.00	949,869,592	5,203,900	158,671,487	15.00	779,217,788	5,202,304	150,044,333
Current corporate income tax liabilities	–	–	–	–	–	–	–	2,364,381
Deferred corporate income tax liabilities	–	–	–	6,568,360	–	–	–	10,354,033
Government grants	–	–	–	100,114,610	–	–	–	98,446,081
Other liabilities	–	–	–	1,038,957	–	–	–	961,523

	<i>The six months ended 30 June 2025 (unaudited)</i>			<i>The six months ended 30 June 2024 (unaudited)</i>		
	<i>Shareholder</i>	<i>Entities under common control of the Shareholder</i>	<i>Government-related organisations</i>	<i>Shareholder</i>	<i>Entities under common control of the Shareholder</i>	<i>Government-related organisations</i>
Interest income on cash and cash equivalents	–	–	32,301,306	–	503,531	243,989
Interest income on loans to customers	–	–	1,455,298	–	–	36,042
Interest expense on loans received	(3,933,112)	(666,455)	(18,628,408)	(4,250,416)	(564,145)	(20,008,251)
Interest expense on debt securities issued	(62,848,250)	(299,095)	(8,978,826)	(14,127,232)	(298,923)	(6,032,881)
Expenses on credit losses	–	–	(11,196,589)	–	227	(3,252,860)
Net foreign exchange loss	(1,761,133)	–	–	–	(29,201)	–
Income from Government grants*	–	–	9,972,747	–	–	477,124
Other operating expenses	–	–	–	–	(57,083)	–
Other income (<i>income from government grants</i>)	–	–	63,361,922	–	–	32,730,170
Corporate income tax expense	–	–	(6,397,564)	–	–	(5,614,345)

*During the six months ended 30 June 2025, the Group recognised income from utilisation of government grants amounting to KZT 9,972,747 thousand (unaudited) (for the six months ended 30 June 2024: KZT 477,124 thousand) by means of decreasing related interest expense in the statement of profit or loss.

Information about the terms of loans received from the Shareholder, Baiterek National Managing Holding JSC (Baiterek NMH JSC), the Government of the Republic of Kazakhstan and government-related organisations is disclosed in Notes 10, 11, and 12, respectively. Included in transactions with government-related organisations are also transactions related to acquisition of the Group's debt securities issued, under reverse repurchase agreements by the entities of Baiterek NMH JSC. Given that Kazakhstan Stock Exchange JSC acts as a central counterparty in such transactions, transactions and related outstanding balances are recognised within transactions with the State-owned companies.

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Key management remuneration

Key management remuneration comprises the following:

	<i>The six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Salaries and other short-term benefits	223,471	162,457
Remuneration of the members of the Board of Directors	13,916	13,144
Social contributions	30,108	23,956
Total key management remuneration	267,495	199,557

24. Capital adequacy

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

As at 30 June 2025 (unaudited) and 31 December 2024, the Company and its subsidiary were in full compliance with the externally imposed capital requirements.

The Company's and the Subsidiary's capital management policy is to ensure the compliance with externally imposed capital requirements and maintain a credit rating and capital adequacy ratios, which ensure the sustainable operation and maximize shareholder value.

The Group manages and reviews the structure of the Group's capital given the changes in economic conditions and characteristics of risks of the types of its activities.

The NBRK requires that the organisations engaged in certain types of banking activity to maintain a Tier 1 capital adequacy ratio (k1) of at least 6% of the assets; capital adequacy ratio (k1-2) in the amount of at least 6% of assets and risk-weighted contingent liabilities and commitments, and a total capital adequacy ratio (k1-3) of at least 12% of the assets and contingent liabilities and commitments weighted based on risk and operational risk.

As at 30 June 2025 and 31 December 2024, the Company's capital adequacy ratios calculated in accordance with the requirements of the NBRK were as follows:

	<i>30 June 2025</i>	
	<i>(unaudited)</i>	<i>31 December 2024</i>
Tier 1 capital	421,551,151	410,503,450
Tier 2 capital	35,221,539	53,261,372
Total equity	456,772,690	463,764,822
Risk-weighted assets	1,235,092,216	1,040,968,369
Commitments and contingencies	117,183,387	125,061,789
Operational risk	71,051,802	71,051,802
Capital adequacy ratio (k1)	25.96%	26.90%
Capital adequacy ratio (k1-2)	31.17%	35.21%
Capital adequacy ratio (k1-3)	20.33%	23.95%

25. Subsequent events

On 18 July 2025, the President of the Republic of Kazakhstan signed into a law a new Tax Code and the auxiliary Law "On Introduction of Amendments and Additions to Some Legislative Acts of the Republic of Kazakhstan on Taxation Issues". The adopted Tax Code is designed to simplify considerably tax administration, and provides for significant changes in all key areas, including corporate and individual income tax to promoting investments and redistributing the tax burden. Currently, the Group is assessing the impact of changes on its operations.

On 1 July 2025, the Company completed the state registration of changes in the Company's share prospectus as to increase the number of authorised shares by 50,000 shares.