SQIF Capital
Joint Stock Company »

Financial statements
for the year ended 31 December 2023
and
Independent auditor's report

Translated from Russian into English

Director
IAC Centeraudit –Kazakhstan LLP
(State license for audit activities
series МФЮ No.0000017
dated 27 December 1999)
_______________ V.V. Radostovets
3 May 2024

НЕЗАВИСИМАЯ АУДИТОРСКАЯ КОМПАНИЯ «ЦЕНТРАУДИТ-КАЗАХСТАН»

To the Shareholder and Board of Directors of
SQIF Capital JSC

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the accompanying financial statements of SQIF Capital JSC (the Company), which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

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

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Auditor
(Auditor's Qualification Certificate No. МФ-0000089 dated 27 August 2012) A.S. Kozyrev

Казахстан Республикасының Аудиторы * Козырев Артем Сергеевич * № МФ-0000089

19, Al-Farabi Ave
Multifunctional Centre Nurly Tau
1 B, 3 Floor, off 301, 302
050059 Almaty
Republic of Kazakhstan.

Translated from Russian into English

Statement of management's responsibilities
for the preparation and approval
of the financial statements for the year ended 31 December 2023

Management of SQIF Capital JSC (The Company) is responsible for the preparation of the financial statements which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policy information, which present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows and changes in equity for the year then ended in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements management is responsible for:
- selecting suitable accounting principles and applying them consistently;
- furnishing information, including accounting policy data in the form that enables information which is relevant, reliable, comparable and intelligible;
- making judgments and estimates that are reasonable and prudent;
- disclosing additional information in cases when compliance with IFRSs is insufficient for understanding by the financial statements users' of influence of some or other transactions, as well as other events or conditions on the Company's financial position and financial performance;
- assessing the Company's ability to continue its business in the foreseeable future.

Management is also responsible for:
- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company, and which enable them to ensure that the financial statements comply with IFRS;
- maintaining statutory accounting records in compliance with the currently effective legislation;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- detecting and preventing fraud and other irregularities.

The financial statements for the year ended 31 December 2023 were approved on 3 May2024.

Chairman of the Management Board N. A. Asilbekov

Deputy Chairman of the Management Board, Chief Accountant T. B. Skachkova

3 May 2024
Republic of Kazakhstan, Almaty

Translated from Russian into English

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

STATEMENT OF FINANCIAL POSITION
as at 31 December 2023

	Note*	As at 31 December 2023	As at 31 December 2022
Assets			
Current assets			
Cash	6	411,766	106
Accounts and deposits held with credit institutions	7	9,957	7,842
Financial assets at fair value through profit or loss	8	1,118,460	-
Receivables	10	2,011	95,769
Corporate income tax prepaid		68,248	44,474
Other current assets	11	11,049	4,435
Total current assets		**1,621,491**	**152,626**
Non-current assets			
Accounts and deposits held with credit institutions	7	1,225,451	2,629,644
Property, plant and equipment	12	32,229	3,939
Intangible assets	13	21,723	10,763
Deferred tax asset	19	6,095	8,737
Total non-current assets		**1,285,498**	**2,653,083**
Total assets		**2,906,989**	**2,805,709**
Equity and liabilities			
Equity			
Share capital	14	2,222,880	2,222,880
Retained earnings		664,439	574,513
Total equity		**2,887,319**	**2,797,393**
Current liabilities			
Payables	15	2,287	2,463
Employee benefits	16	11,133	5,580
Other current liabilities	17	6,250	273
Total current liabilities		**19,670**	**8,316**
Total liabilities		**19,670**	**8,316**
Total liabilities and equity		**2,906,989**	**2,805,709**

* The notes on pages 5 to 21 are an integral part of these financial statements.

Chairman of the Management Board N. A. Asilbekov

Deputy Chairman of the Management Board,
Chief Accountant T. B. Skachkova

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2023

	Note*	2023	2022
Commission income from brokerage activity		132,299	849
Interest income	6,7,8,9	307,269	204,234
Interest expense	9	(1,874)	-
Gain (loss) from transactions with assets at fair value through profit or loss	8	104,094	-
Gain/ loss) from transactions with derivative financial instruments		2,654	-
Expected credit losses	6,7	(18,764)	-
Foreign exchange gain /(loss)		(25,399)	-
Commission expenses		(1,358)	-
General and administrative expenses	18	(394,035)	(143,424)
Other expenses		-	(186)
Profit before income tax		**104,886**	**61,473**
Corporate income tax expense	19	(14,960)	(13,142)
Total profit for the year		**89,926**	**48,331**
Other comprehensive income (loss)		-	-
Comprehensive income for the year less corporate income tax		**89,926**	**48,331**

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Chairman of the Management Board N. A. Asilbekov

Deputy Chairman of the Management Board, Chief Accountant T. B. Skachkova

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

STATEMENT OF CASH FLOWS
for the year ended 31 December 2023

	2023	2022
Cash flows from operating activities		
Profit before income tax	**104,886**	**61,473**
Depreciation of property, plant and equipment and intangible assets	4,561	984
Interest income	(307,269)	(204,234)
Interest expenses	1,874	-
Income from purchase and sale of securities	(137,165)	-
Unrealized revaluation of securities	33,071	-
Foreign exchange gain (loss) (net)	25,399	-
Gain/(loss) from operations with derivative financial instruments	(2,654)	-
Expenses or expected credit losses	18,764	-
Other	-	4,292
Cash flows from operating activities before changes in operating assets and liabilities	**(258,533)**	**(137,485)**
Receivables	88,881	(521)
Other current assets	(6,827)	(1,356)
Payables	(41)	2,235
Employee benefits	5,553	4,169
Other current liabilities	7,917	(406)
Cash flows before interest and income taxes paid	**(163,050)**	**(133,364)**
Income tax paid	(10,828)	(49,852)
Interest received	199,897	175,687
Interest paid	(1,874)	-
Net cash from operating activities	**24,144**	**(7,529)**
Cash flows from investing activities		
Acquisition of securities	(10,713,783)	-
Sale (redemption) of securities	9,744,865	-
Acquisition of property, plant and equipment	(31,229)	(201)
Acquisition of intangible assets	(12,787)	(5,863)
Refund from deposit account	6,019,759	2,096,700
Placement on deposit account	(4,631,656)	(3,027,247)
Payments on options and swaps	2,654	-
Net cash flows from investing activities	**377,823**	**(936,611)**
Net increase (decrease) in cash	**401,967**	**(944,140)**
Effect of exchange rate difference on cash and cash equivalents	12,367	-
Effect of expected credit losses on cash and cash equivalents	(2,674)	-
Cash and cash equivalents at the beginning of the year	**106**	**944,246**
Cash and cash equivalents at the end of the year	**411,766**	**106**

* The notes on pages 5 to 21 are an integral part of these financial statements.

Chairman of the Management Board N. A. Asilbekov

Deputy Chairman of the Management Board, T. B. Skachkova
Chief Accountant

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2023

	Share capital	Retained earnings	Total
As at 1 January 2023	**2,222,880**	**574,513**	**2,797,393**
Profit and comprehensive income for the year	-	89,926	89,926
As at 31 December 2023	**2,222,880**	**664,439**	**2,887,319**
As at 1 January 2022	**2,222,880**	**526,182**	**2,749,062**
Profit and comprehensive income for the year	-	48,331	48,331
As at 31 December 2022	**2,222,880**	**574,513**	**2,797,393**

* The notes on pages 5 to 21 are an integral part of these financial statements.

Chairman of the Management Board N. A. Asilbekov

Deputy Chairman of the Management Board,
Chief Accountant T. B. Skachkova

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1. Corporate information

SQIF Capital JSC (the Company) was registered on June 21, 2005 under the name of EuroCenterAstana JSC (BIN 050640001484).

On January 24, 2024 the Company was re-registered due to the change of name.

The principal activities of the Company are:
- brokerage and dealer activity on the securities market with the right to maintain clients' accounts as a nominee holder;
- issuance and placement of equity securities as an underwriter or as a member of an issuance consortium;
- announcing and maintaining quotations for financial instruments in accordance with the internal documents of the stock exchange;
- providing consulting services on inclusion and listing of securities in the official list of the stock exchange;
- other professional activities on the securities market.

The Company's activity is regulated by the National Bank of the Republic of Kazakhstan. In the reporting period the Company operated on the basis of licenses:
- for brokerage (with the right to maintain customer accounts as a nominee holder) and dealer activities on the securities market No. 3.1.1.246 dated November 12, 2021 (reissued on February 24, 2024 due to the change of the Company's name);
- for banking operations № 4.3.23 dated September 27, 2023 (reissued on February 24, 2024 due to the change of the Company's name).

By the decision of the Management Board of Kazakhstan Stock Exchange JSC dated April 19, 2022, the Company was admitted to its membership in the category "stock" and "derivatives" with the right to participate in exchange trading in securities and derivative financial instruments.
By the decision of the Management Board of Kazakhstan Stock Exchange JSC dated November 2, 2023, the Company was admitted to participate in exchange trading with foreign currencies, including derivative financial instruments admitted to circulation on the currency market.

The shareholders of the Company are:

Shareholders:	As at 31 December 2023, %	As at 31 December 2022,%
Limited Partnership Eurasian Digital Ventures I Limited Partnership	-	100%
V. Ye. Kruchkov	100%	-

Until May 17, 2023, the only shareholder of the Company was Eurasian Digital Ventures I Limited Partnership (Republic of Kazakhstan, Astana). On May 17, 2023, the Limited Partnership "Eurasian Digital Ventures I Limited Partnership" sold 100% of shares to the investment company Avientano Investments Ltd. (Republic of Cyprus). On December 5, 2023, Avientano Investments Ltd. sold 100% of its shares to V. E. Kruchkov, a citizen of the Russian Federation, who is the Company's sole shareholder and ultimate controlling party as at 31December 2023.

The total number of employees in the Company as at 31 December 2023 was 17 persons (2022: 10).
The location and registered office of the Company is192/2, 10th floor, Dostyk Ave., Medeu district, Almaty, Republic of Kazakhstan.

2. Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).
The financial statements for the year ended 31 December 2023 were approved by management of the Company on 3 May 2024.

2.1. Functional and presentation currency

The national currency of Kazakhstan is Tenge, which is the functional currency of the Company as it reflects the economic substance of underlying events and circumstances relevant to the Company. Tenge is also the presentation currency. All amounts in the financial statements have been rounded to the nearest thousands of Tenge except where otherwise indicated.

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2.2. Going concern

These financial statements have been prepared on a going concern basis that the Company continues and will continue to operate in the foreseeable future. Hence it is assumed that:
- the Company has neither the intention nor the need to liquidate or curtail materially the scale of its operations; and
- the Company will realise its assets and settle its obligations in the normal course of the business.

2.3. Accrual basis

These financial statements, except for information on cash flows, have been prepared in accordance with accrual basis. Under the accrual basis of accounting, results of business transactions and other events when they occur are recognised in financial statements regardless of payment time. The transactions and events are recorded in the accounting records and included in the financial statements of those periods in which they occurred.

3. Adoption of new and revised standards and interpretations

The adoption of amendments to standards and interpretations, effective from 1 January 2023, did not significantly affect the Company.
The Company has not early adopted standards, interpretations and amendments that have been issued but are not yet effective. The amendments to the standards effective on or after 1 January 2024 are not expected to have a material impact on the Company. The impact of implementing these standards, amendments, and interpretations on the Company's financial statements is currently being assessed.

4. Material accounting policy information

The summary of significant accounting policies applied by the Company in the preparation of the financial statements is set out below.

4.1. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions, whether that price is directly observable or calculated using another valuation method.
The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation models that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.
Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.2. Financial instruments

Initial recognition of financial instruments
The Company recognises the financial assets and liabilities in its statement of financial position only when it (the Company) becomes a party on contractual provisions under financial instruments.
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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Financial assets

Financial assets within the scope of IFRS 9 are classified, at initial recognition, as subsequently measured at amortised cost, at fair value through other comprehensive income (OCI), and at fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place ("regular way" trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost (debt instruments);
- financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- financial assets at fair value through profit or loss.

The Company classifies financial assets based on the business model for managing the financial assets.

The Company's business model is determined at the level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument but is determined on a higher level of aggregation.

When evaluating the business model for specific portfolios, the Company analyzes the following indicators:

- the purpose of the portfolio, assessed by management (for example, the portfolio is designed to collect cash flows, either to maximize investment income or to meet liquidity needs);
- composition of the portfolio and its compliance with the approved goals;
- the mandate given to portfolio managers (for example, how wide is the range of investments, what are the restrictions on sales);
- the metric used to measure and report on portfolio performance (for example, whether the fair value is an important key indicator);
- the methodology adopted for remuneration of the portfolio manager (for example, the manager is remunerated based on realised or unrealised gains or losses, etc);
- the extent and reasons for the sale of assets in the portfolio.

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows are managed to realise cash flows by collecting contractual payments over the life of the instrument.

The Company may hold financial assets within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. This type of business model means that the Company's key management personnel has decided that the collection of contractual cash flows and the sale of financial assets are essential to achieve the business model's objective.

Financial assets are measured at fair value through profit or loss unless they are held within other business models whose objective is to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

One of the business models that results in fair value through profit or loss is a business model in which the Company manages financial assets with the purpose to realise cash flows through sale of assets.

Financial assets at amortised cost

The financial asset is measured at amortised cost if both of the following conditions are met:

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

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets measured at amortised cost include assets on reverse repurchase transactions and short-term receivables.

Reverse repurchase transactions
Securities received under reverse repurchase agreements (reverse repurchase transactions) are recognised as assets on reverse repurchase transactions in the statement of financial position. The difference between the purchase price and the repurchase price is recognised in profit or loss as disclosed in Note 4.15.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term.
Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for classifying debt instruments as measured at amortised cost or at fair value through other comprehensive income, at initial recognition the Company may designate debt instruments as at fair value through profit or loss if such classification eliminates or significantly reduces an accounting mismatch.
The Company's financial assets of this category include debt securities.

Impairment of financial assets at amortised cost
At the reporting date, the Company measures the allowance for expected credit losses for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses except for short-term receivables.
The Company recognises in gain or loss from impairment the amount of expected credit losses (or their reversal) required to adjust the loss allowance at the reporting date in accordance with the carrying amount of the financial asset / liability at the reporting date.
As of the reporting date, the Company recognises as an allowance for losses on purchased or created credit-impaired financial assets only accumulated since the initial recognition of changes in expected credit losses over the entire term of the financial instrument.
If in the previous reporting period the Company estimated a loss allowance for a financial instrument at an amount equal to lifetime expected credit losses, but as of the current reporting date determines that there is no significant increase in credit risk, then at the current reporting date the Company calculates a loss allowance in an amount equal to 12-month expected credit losses.
The Company recognises as gain or loss from impairment the amount necessary to adjust the loss allowance to the amount of expected credit losses at the reporting date.
The measurement of the expected credit losses should reflect:
- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk.
For financial instruments including both a loan and an undrawn commitment component the Company's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Company's exposure to credit losses. For such financial instruments, the Company measures expected credit losses over the period that the Company is exposed to credit risk and expected credit losses would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period.
In order to meet the objective of recognising lifetime expected credit losses for significant increases in credit risk since initial recognition, it may be necessary to perform the assessment of significant increases in credit risk on a collective basis by considering information that is indicative of significant increases in credit risk on, for example, a group or sub-group of financial instruments.
This is to ensure that the Company meets the objective of recognising lifetime expected credit losses when there are significant increases in credit risk, even if evidence of such significant increases in credit risk at the individual instrument level is not yet available.
The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not the foreclosure is probable.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed by adjusting the allowance account through profit or loss.
Uncollectible financial assets in respect of which all necessary procedures are finished for the purpose of full or partial recovery and the final amount of loss is defined, are written off against the allowance for impairment created in the statement of financial position. Subsequent recovery of amounts previously written off is related to impairment loss in gains or losses.
To measure expected credit losses on short-term receivables, the Company uses a simplified allowance matrix approach that allows for the accrual of a loss allowance over the life of the contract. The provision matrix is calculated based on historical credit loss experience, taking into account forward looking macroeconomic estimates, and is updated at each reporting date. Trade receivables are categorised by day past due and ECL levels are determined based on historical analysis of default rates. Changes in the loss allowance are recognised in the statement of profit or loss.

Financial liabilities
The Company classifies its financial liabilities within the scope of IFRS 9 as follows:
- financial liabilities at fair value through profit or loss;
- financial liabilities at amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.
The Company's financial liabilities include short-term payables.
After initial recognition short-term payables subsequently measured at amortised cost using the EIR method.
Gains and losses are recognised in profit or loss when payables are derecognised as well as through the EIR amortisation process.
Repurchase transactions are recorded as financing transactions. Financial assets sold under repurchase agreements continue to be recorded in the financial statements, and the proceeds received are recognised as liabilities. The difference between the sale price and the repurchase price is recognized in profit or loss as disclosed in Note 4.15.

Derecognition of financial assets and liabilities
A financial asset is derecognised in the statement of financial position when:
- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to transfer them in full without material delay to a third party;
- the Company has transferred its rights to receive cash flows from an asset or has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.
If the existing financial liability is replaced with other liability to the same creditor on other conditions or if the conditions of the existing liability changed such replacement or changes are recorded as derecognition of primary liability and start of recognition of new liability. The difference in the carrying value is included in period profits and losses.

4.3. Cash and cash equivalents

Cash and cash equivalents include cash held with banks, cash on hand, demand deposits or deposits with maturities of less than three months, and other short-term highly liquid investments with original maturities of less than three months.

Deposits with an original maturity greater than 3 months, which the Company may withdraw at any time, while retaining the right to receive substantially all of the previously accrued interest, are also recognized by the Company as cash equivalents, since such deposits are easily convertible into certain amounts of cash with insignificant risk of changes in their value. The portion of the deposit related to the minimum required balance does not meet the definition of cash equivalents and is considered as an investment.

Cash and cash equivalents that are restricted for use, which the Company cannot or does not plan to withdraw at any time, are considered as investments and are divided into short-term (up to 12 months) and long-term.

4.4. Advances paid

Advances to suppliers are recognised in the financial statements at original cost less any allowance for impairment. Advances are classified as long-term if the expected period for receipt of goods or services is more than one year, or if the advances relate to assets that would be recognised as non-current on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

4.5. Property, plant and equipment

Property, plant and equipment are stated at original cost when acquired and are subsequently carried at original cost less accumulated depreciation and any accumulated impairment losses. Depreciation of an item begins when it is available for use.
Depreciation is calculated on a straight-line basis over the following estimated useful lives of the assets:

	Useful life, years
Other property, plant and equipment	2-10

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

4.6. Intangible assets

Intangible assets are measured on initial recognition at original cost. Following initial recognition, intangible assets are carried at original cost less any accumulated amortisation and accumulated impairment losses.
Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The useful life of the Company's intangible assets is estimated at 3-10 years.
The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

4.7. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired by checking whether there is any indication that the asset's carrying amount may be impaired. If any indication exists, the Company estimates the asset's recoverable amount and compares with its carrying amount. An asset's recoverable amount is the higher of: the fair value of an asset or cash generating unit less costs for sale and its value in use (cash -generating unit). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in expense as part of the statement of profit and loss and other comprehensive income or OCI (for revalued assets to the amount of any revaluation reserve).

4.8. Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease, in other words, the Company determines whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

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

4.9. Employee benefits

Employee benefits consist of wages, additional payment in the form of bonuses and other incentive payments.
Discounting is not applied in determining short-term employee benefits payable and related expenses are recognised as employees perform their duties.

4.10. Pension obligations, social tax and social payments

The Company pays social tax to the budget of the Republic of Kazakhstan and compulsory social contributions to the State Social Insurance Fund. The total amount of social tax and social contributions is 9.5% of the taxable income of employees.
The Company also makes contributions for compulsory social health insurance to the Compulsory Health Insurance Fund in the amount of 3% of the taxable income of employees.

Translated from Russian into English

The Company deducts 2% of the wages of its employees as compulsory health insurance deductions to the Compulsory Health Insurance Fund, which, according to the law, is an obligation of employees.
The Company also deducts 10% of the wages of its employees as pension contributions to the Unified Accumulative Pension Fund. Pension contributions are obligations of employees, and the Company has neither current nor future payment obligations upon retirement of its employees.

4.11. Share capital

Common shares are classified in the equity category.
Dividends are recognized as liability and deducted from equity, unless they are declared before or on the reporting date.

4.12. Income tax

Current tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Tax rates and tax legislation applied for calculation of this amount are rates and laws accepted at the reporting date.

Deferred tax
Deferred tax is recognised as at the reporting date for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The deferred tax liabilities are provided for all temporary differences except the following:
- where the deferred tax liability arises from the initial recognition of goodwill or asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit not taxable profit or loss;
- in respect to taxable temporary differences attributable to investments in subsidiaries, associates if the parent company can control the period of decrease in the temporary difference and it is probable that the temporary difference will not decrease in the foreseeable future.

Deferred tax assets are recognised for all temporary differences, non-used tax benefits, and non-used tax losses only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences non-used tax benefits and non-used tax losses can be utilised except the following cases:
- where the deferred tax assets for all deductible temporary differences arise from the initial recognition of asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit not taxable profit or loss;
- in respect to deductible temporary differences attributable to investments in subsidiaries, associates the deferred tax assets are recognised only to that extent that it is probable that the temporary differences will decrease in the foreseeable future and the taxable profit will be received against which the temporary differences can be utilised.

The carrying amount of the deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.
Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based in the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
The current and deferred taxes relating to items recognised out of profit or loss shall be recognised out of profit or loss. Accordingly, the current tax and deferred tax relating to items which are recognised:
a) in other comprehensive income shall be recognised in other comprehensive income;
b) directly in equity shall be recognised directly in equity.
Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.13. Commission income

Commission income is recognized when the Company discharges its performance obligations, usually when the related transaction is completed. Commission income is recognized at a point in time rather than over a period. The amount of commission income earned or receivable represents the transaction price for services identified as distinct performance obligations. Commission income and revenue from rendering of services include:
- Commission income from brokerage activities on the securities market with the right to maintain customer accounts as a nominee holder and from dealing activities;
- Commission income from depository activities as an underwriter or as a member of an issuer consortium;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

Other income from rendering services for core activities includes:
- agency fee;
- information and consulting services;
- market maker services;
- other similar services.

4.14. Recognition of interest income and expenses

Interest income/expense is calculated using the effective interest method.
Effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial instruments) and of allocating the interest income or expense over the relevant period. Effective interest rate is the rate that exactly discounts estimated future cash flow to the net carrying amount of the financial asset or financial liability.
If a financial asset or a group of similar financial assets has been written off (partially written off) as a result of an impairment, interest income is determined using the interest rate used to discount future cash flows for the purposes of calculating impairment losses.
Interest earned on assets measured at fair value is classified as interest income.

4.15. Recognition of income and expenses on repurchase and reverse repurchase transactions

Income/expenses on repurchase and reverse repurchase transactions are recognised as interest income or expense within gain or loss using the effective interest method.

4.16. Recognition of dividend income

Dividend income from investments is recognised when the shareholder's right to receive dividends has been established.

4.17. Related party disclosures

A party is considered to be related with the Company if the party, directly or indirectly through one or more intermediaries, controls or is controlled by the Company; has an interest in the Company that gives it significant influence over the Company in making financial and operating decisions.
A related party transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged.

4.18. Estimated liabilities, contingent liabilities and contingent assets

Estimated liabilities are liabilities of uncertain timing or amount and are recognised if and only if:
- the Company has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

A contingent liability is a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the amount of the obligation cannot be measured with sufficient reliability. Contingent liability is not recognised in the financial statements, but disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.
Where an inflow of economic benefits is probable then the contingent asset is disclosed in the financial statements.

4.19. Transactions in foreign currency

Transactions in foreign currency are initially recognised by the Company in Tenge using the exchange rate effective at the date when a transaction meets the recognition criteria.
Monetary assets and liabilities denominated in foreign currencies are translated at the currency rate of exchange ruling at the reporting date.
Monetary assets and liabilities of the Company are translated in Tenge at the reporting date at the following exchange rates:

	as at 31 December 2023
Tenge/1 USD	454.56
Tenge / 1 EUR	502.24
Tenge / 1 UAH	11.99

To retranslate items of the financial statements denominated in foreign currencies and also to record foreign currency transactions in the accounting records, the Company uses the official exchange rates fixed in Kazakhstan.

All translation differences arising at repayment and retranslation of monetary items are recognised in gains and losses of the period.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.
Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. All translation differences arising at retranslation of non-monetary items are recognised in accordance with revenue recognition criteria as a result of fair value changes of the item.

4.20. Events after the reporting period

The events after the reporting period are those events, favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. The events that provide the evidence of conditions that existed at the reporting date are disclosed in the financial statements (adjusting events). The events that are indicative of a condition that arose after the end of the reporting period are not disclosed in the financial statements (non-adjusting events).

5. Management's estimates and assumptions

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.
The basic assumptions, relating to future and other critical uncertainties at the reporting date that have a significant inherent risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are presented below:

Fair value of financial instruments
If the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. For determining the fair value of financial assets measured at fair value through profit or loss, the Company has applied models similar to those used by the issuer of these securities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

6. Cash

	As at 31 December 2023	As at 31 December 2022
Cash on settlement accounts in Tenge	1,069	106
Cash on current bank accounts in foreign currency	323,131	-
Cash on accounts of other financial institutions in Tenge	17,218	-
Cash on accounts of other financial institutions in currency	73,022	-
Allowance for expected credit losses *	(2,674)	-
Total	**411,766**	**106**

Cash in the breakdown on banks and financial institutions is disclosed below:

	As at 31 December 2023		As at 31 December 2022	
	Rating	**Thousand Tenge**	**Rating**	**Thousand Tenge**
Eurasian Bank JSC	Ba2/Positive, Moody's Investors Service	14,726	B2/Positive, Moody's Investors Service	106
Halyk Bank of Kazakhstan JSC	Baa2/ Positive, Moody's Investors Service	200	-	-
Bank CenterCredit JSC	Ba2/ Positive, Moody's Investors Service	306,581	-	-
Central Securities Depository JSC	Not rated	8,087	-	-
CB Moscommertsbank JSC	Not rated	85	-	-
KASE Clearing Center JSC	Not rated	81,525	-	-
ROEMER CAPITAL (EUROPE) LIMITED	Not rated	562	-	-
Total	**x**	**411,766**	**x**	**106**

For the year ended 31 December 2023, interest was accrued on cash balances on current accounts with banks in the amount of 242 thousand Tenge.

*Changes in the allowance for expected credit losses:

	2023	2022
At the beginning of the year	-	-
Accrual	(2,674)	-
At the end of the year	**(2,674)**	-

7. Accounts and deposits held with credit institutions

	As at 31 December 2023	As at 31 December 2022
Current assets	**9,957**	**7,842**
Interest receivable	9,957	7,842
Non-current assets	**1,225,451**	**2,629,644**
Cash placed on demand deposits *	1,241,541	2,629,644
Allowance for expected credit losses **	(16,090)	-
Total	**1,235,408**	**2,637,486**

* On 16 March 2022, the Company placed cash in Tenge on the term deposit with Eurasian Bank JSC at 9% per annum, maturing on June 16, 2023.
On May 30, 2023, the Company placed cash in Tenge on the term deposit with Eurasian Bank JSC at 15% per annum with no fixed maturity.

*Changes in the allowance for expected credit losses:

	2023	2022
At the beginning of the year	-	-
Accrual	(16,090)	-
At the end of the year	**(16,090)**	-

For the year ended 31 December 2023, interest was accrued in the amount of 181,352 thousand Tenge and tax withheld in the amount of 27,203 thousand Tenge.
For the year ended 31 December 2022, interest was accrued in the amount of 204,234 thousand Tenge and tax was withheld in the amount of 30,636 thousand Tenge.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

8. Financial assets at fair value through profit or loss

	As at 31 December 2023	As at 31 December 2022
Debt securities*	1,118,460	-
Total	**1,118,460**	**-**

*Debt securities:

	Currency	Interest rate	As at 31 December 2023	As at 31 December 2022
Eurobonds of the Ministry of Finance of the Russian Federation	EUR	1.125%	59,354	-
Government bonds of the external bond loan of the Russian Federation	USD	4.75%	645,475	-
Bonds of domestic government loan of Ukraine	UAH	12.7%	413,631	-
Total	x	x	**1,118,460**	**-**

As at 31 December 2023, accrued but not received coupon interest in the amount of 10,038 thousand Tenge was recorded.

Gain (loss) from operations with assets at fair value through profit or loss:

	2023	2022
Realized gain on trading operations with securities	137,165	-
Unrealized gain on change in fair value	15,405	-
Unrealized loss on change in fair value	(48,476)	-
Total	**104,094**	**-**

Accrued interest income on debt securities in 2023 amounted to 115,887 thousand Tenge, including:
- discount amortization in the amount of 104,864 thousand Tenge;
- accrued coupon interest in the amount of 11,023 thousand Tenge.

9. Reverse repurchase and repurchase agreements

Reverse repurchase transactions
For the year ended 31 December 2023 accrued interest income on reverse repurchase transactions with securities amounted to 9,789 thousand Tenge. For the year ended 31 December 2022 there was no gain from reverse repurchase transactions.

Repurchase transactions ("classic repo")
For the year ended 31 December 2023, accrued interest expense on securities repurchase transactions amounted to 1,874 thousand Tenge. There were no expenses from repurchase transactions for the year ended 31 December 2022.

10. Receivables

	As at 31 December 2023	As at 31 December 2022
Invoices receivable for services	2,011	-
Receivables from related parties in respect of penalties	-	95,769
Total	**2,011**	**95,769**

11. Other current assets

	As at 31 December 2023	As at 31 December 2022
Advance tax payments	2,026	4,329
Prepaid expenses	1,687	102
Advances paid to third parties against goods and services	6,037	4
Inventories	1,299	-
Total	**11,049**	**4,435**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

12. Property, plant and equipment

	Other	Total
Original cost		
As at 1 January 2022	**4,181**	**4,181**
Additions	201	201
As at 31 December 2022	**4,382**	**4,382**
Additions	31,229	31,229
As at 31 December 2023	**35,611**	**35,611**
Accumulated depreciation		
As at 1 January 2022	**(34)**	**(34)**
Depreciation for the year	(409)	(409)
As at 31 December 2022	**(443)**	**(443)**
Depreciation for the year	(2,939)	(2,939)
As at 31 December 2023	**(3,382)**	**(3,382)**
Carrying amount:		
As at 31 December 2022	**3,939**	**3,939**
As at 31 December 2023	**32,229**	**32,229**

13. Intangible assets

	Other intangible assets	Total
Original cost		
As at 1 January 2022	**5,360**	**5,360**
Additions	6,022	6,022
As at 31 December 2022	**11,382**	**11,382**
Additions	12,582	12,582
As at 31 December 2023	**23,964**	**23,964**
Depreciation:		
As at 1 January 2022	**(44)**	**(44)**
Depreciation for the period	(575)	(575)
As at 31 December 2022	**(619)**	**(619)**
Depreciation for the period	(1,622)	(1,623)
As at 31 December 2023	**(2,241)**	**(2,242)**
Carrying amount:		
As at 31 December 2022	**10,763**	**10,763**
As at 31 December 2023	**21,723**	**21,722**

Intangible assets are represented by licenses and software.

14. Equity

Share capital

As at 31 December 2023 and 2022, share capital consists of 16,840 common shares to the amount of 2,222,880 thousand Tenge.

Dividends

The Company did not declare or pay any dividends in 2023 and 2022.

15. Payables

	As at 31 December 2023	As at 31 December 2022
Invoices payable for other services to third parties	1,681	646
Invoices payable for central depository services	144	-
Invoices payable for stock exchange services	63	-
Invoices payable for AIFC "Astana"	399	-
Invoices payable for other services to related parties (Note 20)	-	1,817
Total	**2,287**	**2,463**

Translated from Russian into English

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

16. Employee benefits

	As at 31 December 2023	As at 31 December 2022
Estimated liabilities for vacations	11,133	5,580
Total	**11,133**	**5,580**

17. Other current liabilities

	As at 31 December 2023	As at 31 December 2022
Prepayment of brokerage commissions	6,250	-
Taxes other than income tax	-	273
Total	**6,250**	**273**

18. General and administrative expenses

	2023	2022
Payroll and payroll taxes	239,529	117,111
Professional services	40,712	5,386
Short-term leases up to 12 months	27,933	3,615
Provision for vacations	16,508	124
Membership fee	12,913	5,207
Bank commission	7,199	738
Registration charges	7,893	-
Other taxes and mandatory payments	6,651	-
Communication services	6,451	1,878
Repair and maintenance	5,328	451
Depreciation of non-financial assets	4,561	984
Consumables	3,595	142
Advertising services	2,900	-
Audit and consulting services	2,500	2,000
Business trips	2,489	587
Other	6,873	5,201
Total	**394,035**	**143,424**

19. Corporate income tax expense

	2023	2022
Current corporate income tax	11,343	11,751
Prior periods adjustment	975	-
Deferred income tax	2,642	1,391
Income tax expense for the year	**14,960**	**13,142**

The reconciliation between the contingent and actual income tax expense is provided below:

	2023	2022
Profit before income tax	104,886	61,473
Statutory income tax rate	20%	20%
Contingent income tax expense	**20,977**	**12,295**
Tax effect of non-deductible expenses and non-taxable income and impact of discontinued operations	(6,992)	847
Prior periods adjustment	975	-
Corporate income tax expense for the year	**14,960**	**13,142**

The tax effect of temporary differences changes for 2023 is as follows:

	As at 01 January 2023	Recognised in gain or loss	As at 31 December 2023
Fixed assets	7,621	(3,753)	3,868
Estimated liabilities for vacations	1,116	1,111	2,227
Net tax assets	**8,737**	**(2,642)**	**6,095**

Translated from Russian into English

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

The tax effect of temporary differences changes for 2022 is as follows:

	As at 01 January 2022	Recognised in gain or loss	As at 31 December 2022
Fixed assets	10,128	(2,507)	7,621
Estimated liabilities for vacations		1,116	1,116
Net tax assets	**10,128**	**(1,391)**	**8,737**

20. Related party transactions

Control relationship

The party directly controlling the Company (the Sole shareholder):
- From 1 January 2022 to 17 May 2023 - Eurasian Digital Ventures I Limited Partnership (an entity under the ultimate control of Eurasian Resources Group S.a r.I. - "ERG");
- from 17 May 2023 to 5 December 2023 - investment company Avientano Investments Ltd.;
- from 5 December 2023 to 31 December 2023 - V. Ye. Kruchkov.

Key management personnel compensation:

	2023	2022
Salary, leave allowances, compensation	92,314	77,376
Bonuses	6,400	2,096
Accrued liabilities on unused vacations	13,997	2,512
Total	**112,711**	**81,984**

Transactions with other related parties:

	As at 31 December 2023		As at 31 December 2022	
	Companies under common control	Total	Companies under common control	Total
Statement of financial position				
Assets				
Receivables	-	-	95,769	95,769
Cash and cash equivalents	-	-	106	106
Other financial assets	-	-	2,637,486	2,637,486
Total assets	**-**	**-**	**2,733,361**	**2,733,361**
Liabilities				
Borrowings	-	-		
Trade and other payables	-	-	1,817	1,817
Total liabilities	-	-	**1,817**	**1,817**
Net balance sheet item	-	-	**2,731,544**	**2,731,544**
Statement of comprehensive income				
Commission income from brokerage activities	392	392	-	-
General and administrative expenses	(3,178)	(3,178)	(8,443)	(8,443)
Interest income	90,226	90,226	204,234	204,234
Total income/(expenses)	**87,440**	**87,440**	**195,791**	**195,791**

21. Financial risk management objecvtives and policies

The Company manages risks through an ongoing process of identification, assessment and monitoring, as well as through the establishment of limits and other internal controls. The risk management process plays a crucial role in the Company's pursuit of stable profitability, and each individual employee of the Company is responsible for the risks associated with his/her duties.

Risk management

The Board of Directors has overall responsibility for identifying and managing risks.
The Risk Management Department, together with the Management Board, ensures the implementation of the risk management policy of the Company, constantly monitors the Company's activities, assesses risks and participates in the development of risk-mitigating measures.
The Company does not use derivative financial instruments to hedge certain risks.

Credit risk

Credit risk is the risk associated, in particular, with the possibility of non-fulfillment of assumed obligations by issuers of securities and counterparties on transactions and resulting financial loss.
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

The maximum credit exposure by the classes of financial assets is stated below:

	As at 31 December 2023	As at 31 December 2022
Cash	411,766	106
Accounts and deposits held with credit institutions	1,235,408	2,637,486
Financial assets at fair value through profit or loss **	1,118,460	-
Receivables ***	2,011	95,769
Total financial assets	**2,767,645**	**2,733,361**

* *Cash held with banks on current accounts with banks, on deposits with credit institutions*
Credit risks relating to cash and funds placed on savings (deposit) accounts arise from the possibility of potential default of banks.
The Company manages credit risk in respect of banks and credit institutions by monitoring their independent ratings. Information on credit ratings of banks and credit institutions is presented in Note 6.

***Financial assets at fair value through profit or loss*
Credit risk relating to the Company's financial assets at fair value through profit or loss arises from possible reduction of the issuer's credit rating, which could result in a decrease in the market price and liquidity of financial instruments. The Company's financial assets in this category of financial instruments have had their ratings withdrawn with the commencement of hostilities in the Russian Federation. The Company believes that the exposure of investments in government bonds of both states is insignificant in the short term.

****Receivables*
Receivables are represented by receivables for brokerage commission. The Company considers the probability that the debtors will not redeem receivables to be insignificant.

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.
The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company controls and manages liquidity risk through short-term planning and monitoring of forecast and actual cash flows, matching the maturities of financial assets and liabilities, and mid- and long-term business planning.
The contractual maturities of financial liabilities are presented below, excluding the impact of offsetting agreements. The amounts represent contractual undiscounted cash flows.

	Carrying amount	Contractual cash flows	On demand or <30 days
As at 31 December 2023			
Payables	2,287	2,287	2,287
Total liabilities	**2,287**	**2,287**	**2,287**
As at 31 December 2022			
Payables	2,463	2,463	2,463
Total liabilities	**2,463**	**2,463**	**2,463**

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will negatively affect the Company's profit or the value of its financial instruments. Market risk includes three types of risk: currency risk, interest rate risk and other price risk.
The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.
The Company's exposure to currency risk was as follows:

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (THOUSAND TENGE)

	As at 31 December 2023					
	Total	**Tenge**	**USD**	**EUR**	**UAH**	**RUB**
Assets						
Cash	**411,766**	18,272	393,409	-		85
Accounts and deposits held with banks	**1,235,408**	1,235,408	-	-		-
Financial assets at fair value through profit or loss	**1,118,460**	-	645,475	59,354	413,631	
Receivables	**2,011**	2,011	-	-	-	-
Total assets	**2,767,645**	**1,255,691**	**1,038,884**	**59,354**	**413,631**	**85**
Liabilities						
Payables	**2,287**	2,287	-	-	-	-
Total liabilities	**2,287**	**2,287**	-	-	-	-
Net position	**2,765,358**	**1,253,404**	**1,038,884**	**59,354**	**413,631**	**85**

The Company is not exposed to currency risk at 31 December 2022 due to the absence of transactions and financial assets and liabilities denominated in foreign currencies.

The table below shows the impact that the exchange rate change against Tenge would have on profit before income tax. This analytical information is based on fluctuations in foreign exchange rates that the Company considers to be reasonably possible as of the end of the reporting period. The analysis was performed on the assumption that all other variables, in particular interest rates, remain constant.

	As at 31 December 2023	
	Exchange rate changes	**Effect on profit before income tax**
USD	+5%	51,944
	-5%	(51,944)
EUR	+5%	2,968
	-5%	(2,968)
UAH	+5%	20,682
	-5%	(20,682)

Interest rate risk

Interest rate risk is the risk of incurring expenses (losses) due to adverse changes in interest rates, including: general interest rate risk associated with non-compliance with the maturities of placed assets (at fixed interest rates) and specific interest rate risk associated with the use of various accrual methods and adjustments to the remuneration received for a number of instruments which, with all else being equal, have similar pricing characteristics.

The Company does not have significant concentration of interest rate risks, since during the reporting period, the financial instruments operated by the Company were financial assets on which interest is accrued at the fixed interest rate.

Price risk

Other price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all marketable securities.

The Company is exposed to price risk due to the influence of general or specific factors on the fair value of securities.

	As at 31 December 2023	
	Increase in securities prices by 5%	Decrease in securities prices by 5%
Effect on profit before income tax	55,923	(55,923)

22. Fair value of financial instruments

The fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. Judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the particular instrument. The best evidence of fair value is price quotations in an active market. An active market is a market, in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value measurements are analysed and allocated according to fair value measurement hierarchy:
- level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: valuation techniques that include inputs that are significant for the fair value measurement categorised within a lower level of the fair value hierarchy that are observable for the asset or liability, either directly or indirectly in the market;
- level 3: valuation techniques that include inputs that are significant for the fair value measurement categorised within a lower level of the fair value hierarchy that are not observable in the market.

The following assumptions were used by the Company for fair value measurement of the financial instruments at the reporting date:
For financial assets at fair value through profit or loss, the fair value is categorized within Level 1 of the fair value hierarchy (quoted market prices).

Assets and liabilities not measured at fair value, but whose fair value is disclosed:
The carrying amount of cash approximates the fair value due to their high liquidity.
The carrying amount of funds on savings accounts approximates the fair value, as the interest rate stipulated by Deposit Agreements approximates the market interest rate at the reporting date.
For receivables, payables with maturities of less than twelve months, the carrying amount approximates the fair value due to the relatively short maturity of these financial instruments.
For this category of financial assets and liabilities the fair value is categorized within Level 3 of the fair value hierarchy (unobservable input valuation model).

23. Capital management

The Company's capital includes the share capital and retained earnings. The Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market establishes and controls the performance of the requirements for the Company's capital level. The Company determines as capital those items that are defined in accordance with the legislation of the Republic of Kazakhstan as components of capital.
In accordance with the requirements of the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market, broker-dealer companies and investment portfolio management companies must maintain the ratio of liquid assets less liabilities to the regulatory minimum amount of equity (50,000 monthly calculation indices) above a certain minimum level.
In 2023 and 2022, the minimum level was 1. As at 31 December 2023 and 31 December 2022, the Company's capital adequacy ratio corresponded to the regulatory level.
In accordance with the requirements of the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market, broker-dealer companies and investment portfolio management companies must maintain the liquidity ratio above a certain minimum level.
In 2023, the minimum level was 1 (2022: 1.4). As at 31 December 2023 and 31 December 2022, this ratio of the Company corresponded to the regulatory level.

24. Contingencies
Taxation
The taxation system in Kazakhstan is relatively new and is characterized by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by a number of authorities, which are enabled by law to impose severe fines, penalties and interest charges. Fiscal periods remain open to review by the tax authorities in respect of taxes for five calendar years; however, under certain circumstances reviews may continue for longer periods.
Management believes that it has provided adequately for tax liabilities based on its understanding of applicable tax laws, regulations and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

Legal proceedings and claims
The Company is not currently involved in any legal proceedings that could have a material effect on its financial and business operations.
In the ordinary course of business, the Company may be subject to various lawsuits and claims. Management believes that the ultimate liability, if any, arising from such actions or complaints will not have a material effect on the financial condition or the results of future operations of the Company and, accordingly, no provision has been made in these financial statements.