

**Explanatory note  
to the financial statements of Damu Entrepreneurship Development Fund JSC  
for the 3 st quarter of 2022**

**Main directions of activity**

JSC "Entrepreneurship Development Fund" Damu" (hereinafter referred to as the "Fund") was established in accordance with the Resolution of the Government of the Republic of Kazakhstan No. 665 dated April 26, 1997. The Fund was established as a Joint Stock Company and is located in the Republic of Kazakhstan.

The main activity of the Fund is financing within the framework of lending programs through second-tier banks, microfinance organizations and leasing companies, subsidizing interest rates, guaranteeing, consulting support, disseminating information and analytical materials. The Fund uses its own and borrowed funds to finance SMEs in Kazakhstan.

The foundation has 20 regional branches. Its head office is located in Almaty, Kazakhstan. As of 30 September, 2022, the Fund employed 380 employees.

Registered legal address of the Fund: Republic of Kazakhstan, Almaty, st. Gogol 111.

The sole shareholder of the Fund is Baiterek National Managing Holding JSC. The ultimate controlling party of the Fund is the Government of the Republic of Kazakhstan.

**Basis of preparation of financial statements**

These financial statements have been prepared in accordance with International Financial Reporting Standards and are presented in thousands of tenge.

**Explanations to the Balance Sheet**

Explanation of balance items:

**1. Short-term assets:**

Cash and cash equivalents: Balances on bank accounts at the end of the reporting period excluding deduction of allowance for impairment amounted to 238,368,678 thousand tenge. Below is a transcript of the articles.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Purchase and resell agreements ("reverse repos") with an original maturity of less than three months	97 820 065	64 140 419
Current accounts in bank accounts	89 766 429	10 452 112
Cash balances with the NBRK (other than mandatory reserve deposits)	50 782 184	2 361 621
<b>Total</b>	<b>238 368 678</b>	<b>76 882 383</b>

Short-term financial assets measured at amortized cost: Carrying value at the end of the reporting period amounted to 16,248,687 thousand tenge. Below is a transcript of the articles.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Loans to customers	3 567 547	250 928
Loans issued to financial institutions, including those issued under Islamic finance programs	12 681 140	13 294 416
Deposits with banks with an original maturity of more than three months	-	5 124 629
<b>Total</b>	<b>16 248 687</b>	<b>18 669 973</b>

Short-term financial assets at fair value through other comprehensive income: Carrying out / fair value of the Central Bank at the end of the reporting period amounted to 8,318,768 thousand tenge. Below is the transcript.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Notes of NB RK	-	27 542 151
Ministry of Finance of RK	8 318 768	2 982 459
Eurasian Development Bank	-	1 943 378
<b>Total</b>	<b>8 318 768</b>	<b>32 467 988</b>

## **2. Long-term assets:**

Long-term financial assets, measured at amortized cost at the end of the reporting period, amounted to 213,337,567 thousand tenge. Below is a transcript of the articles.

Long-term loans issued in the amount of 207,578,797 thousand tenge:

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Loans given to financial institutions	1 266 525	1 320
Loans given in the framework of the Islamic financing programs	156 477 022	220 884 914
Deposits with other banks with an initial maturity of more than three months	49 835 250	-
<b>Total</b>	<b>207 578 797</b>	<b>220 886 234</b>

Investment securities, assessed at amortized cost, amount to 5,758,770 thousand tenge;

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
STB bonds	4 946 155	4 712 972
Bonds of other corporate issuers	812 615	816 993
<b>Total</b>	<b>5 758 770</b>	<b>5 529 965</b>

Long-term financial assets at fair value through other comprehensive income: The carrying / fair value of the Central Bank at the end of the reporting period amounted to 4,909,949 thousand tenge. Below is the transcript.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
STB bonds	523 812	1 543 325
Bonds of the Ministry of Finance of RK	994 588	3 105 040
Samruk-Kazyna NWF JSC	3 391 549	3 420 495
<b>Total</b>	<b>4 909 949</b>	<b>8 068 860</b>

Long-term financial assets at fair value through profit or loss: Carrying out / fair value of the Central Bank at the end of the reporting period amounted to 75,228 thousand tenge. Below is the transcript.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Bonds of the Ministry of Finance of RK	75 228	79 188
<b>Total</b>	<b>75 228</b>	<b>79 188</b>

Fixed assets: The carrying value of fixed assets at the end of the reporting period amounted to 2,093,677 thousand tenge. Accumulated depreciation of fixed assets at the end of the reporting period amounted to 1,975,225 thousand tenge.

Intangible assets: The book value of intangible assets at the end of the reporting period amounted to 227,009 thousand tenge, including software and licenses. Accumulated amortization of intangible assets at the end of the reporting period amounted to 615,160 thousand tenge

### 3. Short-term liabilities:

Short-term financial liabilities measured at amortized cost: Borrowed funds at the end of the reporting period amounted to 2,365,010 thousand tenge. Details of loans are presented in the table.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
JSC NMH "Baiterek"	106 986	65 521
NWF Samruk-Kazyna JSC	263 353	263 353
Municipal bodies	1 986 118	1 063 698
<b>Total</b>	<b>2 356 457</b>	<b>1 392 572</b>

Including this item, there is a short-term carrying/fair value of issued debt securities in the amount of **8,553** thousand tenge

Other short-term financial liabilities at the end of the reporting period amounted to 80,696,196 thousand tenge. Below is a transcript of the articles.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Accounts payable	186 713	325 541
Funds intended to subsidize remuneration rates for small and medium-sized businesses	48 912 439	7 792 965
Provision for credit related commitments	31 273 254	25 556 498
Finance lease commitments	197 027	4 714
Accrued commission expenses	126 763	127 435
<b>Total</b>	<b>80 696 196</b>	<b>33 807 153</b>

### 4. Long-term liabilities:

Long-term financial liabilities, measured at amortized cost at the end of the reporting period, amounted to 172,436,255 thousand tenge.

Details of loans are presented in the table.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
NWF Samruk-Kazyna JSC	19 152 972	19 152 972
Municipal bodies	51 309 517	52 441 890
JSC NMH "Baiterek"	100 773 766	96 315 094
<b>Total</b>	<b>171 236 255</b>	<b>167 909 956</b>

Including this item, the carrying / fair value of debt securities issued in the amount of **1,200,000 thousand tenge** is recorded.

### 5. Capital

The authorized (share) capital amounted to 102'920'273 thousand tenge. Without changes.

Components of other comprehensive income - 9,977,757 thousand tenge.

Other reserve - 316,430 thousand tenge.

Retained earnings (URP) at the end of the reporting period amounted to 58,155,856 thousand tenge.

**6. Explanations on the Fund's income and expenses for the 3st quarter of 2022 compared to the same period in 2021:**

	<i>thousand tenge</i>	
	<i>3st quarter 2022</i>	<i>3st quarter 2021</i>
Implementation costs	(360 118)	(167 606)
Administrative expenses	(1 290 661)	(1 104 237)
<b>Total operating profit (loss)</b>	<b>(1 650 779)</b>	<b>(1 271 843)</b>
Finance income	8 151 150	5 606 602
Financial expenses	(510 021)	(470 973)
Other income	11 778 490	9 416 027
Other expenses	(3 739 999)	(917 174)
<b>Profit (loss) before tax</b>	<b>14 028 841</b>	<b>12 362 639</b>
Income tax expense (-) (income (+))	-	-
<b>Profit (loss) after tax from continuing operations</b>	<b>14 028 841</b>	<b>12 362 639</b>

For the 3st quarter of 2022, the Fund received a loss in the amount of 14,028,841 thousand tenge.

**Chairperson of the Managing Board: Buribayeva G.A.**

(last name, name)

**Acting Chief Accountant: Zhanzakova Zh.K.**

(last name, name)

**Agreed:**

**Deputy Chairman of the Management Board: Makazhanov B.N**

(last name, name)

(signature)

(signature)

(signature)

*Prepared by Smagulova N.E.*

Organization name DAMU ENTREPRENEURSHIP DEVELOPMENT FUND JOINT STOCK COMPANY

Form I

Reorganization details: -

Type of activity of the organization: Other types of lending

Organizational and legal form: Joint Stock Company

Report type: Not consolidated

Average annual number of employees: 380 people

Business entity: BIG

Legal address (of the organization): Kazakhstan, 050004, Almaty city, Almalinskiy district, Gogol st., bldg. 111, , (727) 244-55-66, 244-55-77,  
info@fund.kz, Ajgul.Kusajunova@fund.kz, www.damu.kz

### Balance sheet

as of 30.06.2022

thousand tenge

Item name	Line code	As on the end of accounting period	As on the beginning of accounting period
<b>Assets</b>			
<b>I. Short-term assets:</b>			
Cash and cash equivalents	010	263 695 761,00	76 882 383,00
Short-term financial assets measured at amortized cost	011	16 741 580,00	18 669 973,00
Short-term financial assets measured at fair value through other comprehensive income	012	13 396 580,00	32 467 988,00
Short-term financial assets measured at fair value through profit or loss	013		855 623,00
Short-term derivative financial instruments	014		
Other short-term financial assets	015	449 009,00	163 943,00
Short-term trade and other receivables	016		
Short-term lease receivables	017	2 039,00	7 689,00
Short-term assets under contracts with customers	018		
Current income tax	019	1 694 610,00	3 357 383,00
Stocks	020	41 202,00	35 777,00
Biological assets	021		
Other short-term assets	022	4 803 533,00	4 825 049,00
<b>Total short-term assets (sum of lines 010 to 022)</b>	<b>100</b>	<b>300 824 314,00</b>	<b>137 265 808,00</b>
Assets (or disposal groups) held for sale	101	111 056,00	153 173,00
<b>II. Long-term assets</b>			
Long-term financial assets measured at amortized cost	110	160 358 847,00	226 416 199,00
Long-term financial assets measured at fair value through other comprehensive income	111	6 816 418,00	8 068 860,00
Long-term financial assets measured at fair value through profit or loss	112	70 881,00	79 188,00
Long-term derivative financial instruments	113		
Investments held at historical cost	114		
Investments held by the equity method	115		
Other long-term financial assets	116	14 902,00	21 407,00
Long-term trade and other receivables	117		
Long-term lease receivables	118		
Long-term assets under contracts with customers	119		
Investment property	120		
Fixed assets	121	2 082 309,00	2 121 829,00
Right-of-use asset	122	257 994,00	
Biological assets	123		
Exploration and evaluation assets	124		
Intangible assets	125	240 733,00	267 623,00
Deferred tax assets	126		3 132 896,00
Other long-term assets	127		
<b>Total long-term assets (sum of lines 110 to 127)</b>	<b>200</b>	<b>169 842 084,00</b>	<b>240 108 002,00</b>
<b>Balance (line 100 + line 101 + line 200)</b>		<b>470 777 454,00</b>	<b>377 526 983,00</b>

Item name	Line code	As on the end of accounting period	As on the beginning of accounting period
<b>Liability and capital</b>			
<b>III. Short-term liabilities:</b>			
Short-term financial liabilities measured at amortized cost	210	2 177 316,00	1 392 572,00
Short-term financial liabilities measured at fair value through profit or loss	211		
Short-term derivative financial instruments	212		
Other short-term financial liabilities	213	86 652 413,00	33 807 153,00
Short-term trade and other payables	214		
Short-term estimated liabilities	215		
Current tax liabilities for income tax	216	69 605,00	91 173,00
Remuneration to employees	217	99 372,00	299 810,00
Short-term lease debt	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220		
Dividends payable	221		
Other short-term liabilities	222	30 236 510,00	8 485 871,00
<b>Total short-term liabilities (sum of lines 210 to 222)</b>	<b>300</b>	<b>119 235 216,00</b>	<b>44 076 579,00</b>
Liabilities of disposal groups held for sale	301		
<b>IV. Long-term liabilities</b>			
Long-term financial liabilities measured at amortized cost	310	169 120 370,00	169 154 134,00
Long-term financial liabilities measured at fair value through profit or loss	311		
Long-term derivative financial instruments	312		
Other long-term financial liabilities	313	90 312,00	
Long-term trade and other payables	314		
Long-term estimated liabilities	315		
Deferred tax liabilities	316	3 041 560,00	
Remuneration to employees	317		
Long-term rental debt	318		
Long-term liabilities under contracts with customers	319		
Government subsidies	320		
Other long-term liabilities	321	19 901 802,00	22 947 487,00
<b>Total long-term liabilities (sum of lines 310 to 321)</b>	<b>400</b>	<b>192 154 044,00</b>	<b>192 101 621,00</b>
<b>V. Capital</b>			
Authorized (share) capital	410	102 920 273,00	102 920 273,00
Share premium	411		
Repurchased own equity instruments	412		
Components of other comprehensive income	413	10 173 718,00	10 762 583,00
Retained earnings (uncovered loss)	414	45 977 773,00	27 349 497,00
Other capital	415	316 430,00	316 430,00
<b>Total capital attributable to owners (sum of lines 410 to 415)</b>	<b>420</b>	<b>159 388 194,00</b>	<b>141 348 783,00</b>
Share of non-controlling owners	421		
<b>Total capital (line 420 +/- line 421)</b>	<b>500</b>	<b>159 388 194,00</b>	<b>141 348 783,00</b>
<b>Balance (line 300 + line 301 + line 400 + line 500)</b>		<b>470 777 454,00</b>	<b>377 526 983,00</b>

Chairperson of the Managing Board: Buribayeva G.A.

(surname, name, patronymic)

Acting Chief Accountant: Zhanzakova Zh.K.

(surname, name, patronymic)

Agree by:

Deputy Chairman of the Management Board B.Makazhanov

(surname, name, patronymic)

Seal

(signature)

(signature)

(signature)

Organization name DAMU ENTREPRENEURSHIP DEVELOPMENT FUND JOINT STOCK COMPANY

### Profit and loss statement

as of 30.06.2022

thousand tenge

Indicators	Line code	For the accounting period	For the previous period
Revenue	010		
Prime cost of goods and services sold	011		
<b>Gross profit (line 010 - line 011)</b>	<b>012</b>		
Sale expenses	013	288 744,00	171 571,00
Administrative expenses	014	1 239 191,00	1 084 145,00
<b>Total operating profit (loss) (+/- lines 012 to 014)</b>	<b>020</b>	<b>-1 527 935,00</b>	<b>-1 255 716,00</b>
Financial income	021	9 348 739,00	3 100 283,00
Financial expenses	022	-2 640 497,00	983 837,00
The entity's share in the profit (loss) of associates and joint ventures accounted for using the equity method	023		
Other revenue	024	20 663 711,00	9 497 339,00
Other expenses	025	8 342 148,00	3 198 573,00
<b>Profit (loss) before tax (+/- lines 020 to 025)</b>	<b>100</b>	<b>22 782 864,00</b>	<b>7 159 496,00</b>
Income tax expense (-) (income (+))	101	-8 706 621,00	-3 539 677,00
<b>Profit (loss) after tax from continuing operation (line 100 + line 101)</b>	<b>200</b>	<b>14 076 243,00</b>	<b>3 619 819,00</b>
Profit (loss) after tax from discontinued operations	201		
<b>Profit for the year (line 200 + line 201) attributable to:</b>	<b>300</b>	<b>14 076 243,00</b>	<b>3 619 819,00</b>
of parent organization owners			
share of non-controlling owners			
<b>Other comprehensive income, total (sum of 420 and 440):</b>	<b>400</b>	<b>361 660,00</b>	<b>7 080,00</b>
including			
revaluation of debt financial instruments measured at fair value through other comprehensive income	410	361 660,00	7 080,00
share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	411		
effect of a change in the income tax rate on deferred tax	412		
Cash flow hedge	413		
Exchange rate difference on investments in foreign organizations	414		
Hedge of net investment in foreign operations	415		
Other components of other comprehensive income	416		
Adjustment on reclassification in profit (loss)	417		
tax effect of components of other comprehensive income	418		
<b>Total other comprehensive income to be reclassified to income or expense in subsequent periods (net of income tax) (sum of lines 410 to 418)</b>	<b>420</b>	<b>361 660,00</b>	<b>7 080,00</b>
revaluation of fixed assets and intangible assets	431		
share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	432		
Actuarial gains (losses) on pension liabilities	433		
tax effect of components of other comprehensive income	434		
revaluation of equity financial instruments measured at fair value through other comprehensive income	435		
<b>Total other comprehensive income not to be reclassified to income or expense in subsequent periods (net of income tax) (sum of lines 431 to 435)</b>	<b>440</b>		
<b>Total comprehensive income (line 300 + line 400)</b>	<b>500</b>	<b>14 437 903,00</b>	<b>3 626 899,00</b>
Total comprehensive income attributable to:			
of parent organization owners			
share of non-controlling owners			

<b>Earnings per share:</b>	<b>600</b>		
including			
Basic earnings per share:			
from continuing activities			
from discontinued activities			
Diluted earnings per share:			
from continuing activities			
from discontinued activities			

Chairperson of the Managing Board: Buribayeva G.A.

(surname, name, patronymic)

Acting Chief Accountant: Zhanzakova Zh.K.

(surname, name, patronymic)

**Agree by:**

Deputy Chairman of the Management Board B.Makazhanov

(surname, name, patronymic)

Seal

(signature)

(signature)

(signature)