

**Explanatory Note  
to financial statements of “Damu” Entrepreneurship Development Fund” JSC  
for the 2<sup>st</sup> quarter of 2024**

**Main areas of activity**

“Damu” Entrepreneurship Development Fund” JSC (hereinafter referred to as the “Fund”) was established in accordance with Government Decision No. 665 dated 26 April 1997. The Fund is registered and operates in the territory of the Republic of Kazakhstan as a joint-stock company.

The main activities of the Fund are financing within the framework of lending programs through second-level banks, microfinance organizations and leasing companies, subsidy of interest rates, guarantee, consulting support, dissemination of information and analytical materials. The fund uses its own and borrowed funds to finance SMBs in Kazakhstan.

The fund has 20 regional branches. Its head office is located in Almaty, Kazakhstan. As of June 30, 2024, the Fund employed 440 employees.

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

The sole shareholder of the Fund is “National Management Holding “Baiterek” 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 the International Financial Reporting Standards and are presented in thousands of tenge.

**Explanation of Balance Sheet**

Decryption to balance sheet items:

**1. Short-term assets:**

Cash and cash equivalents: Bank balances at the end of the reporting period, net of allowance for impairment, amounted 140,962,982 thousand tenge. Below is a transcript of the articles.

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Current accounts in NB and STB bank accounts	103 055 361	175 040 966
Purchase and reverse sale agreements ("reverse repo") with original maturity less than three months	37 907 621	38 224 764
<b>Total</b>	<b>140 962 982</b>	<b>213 265 730</b>

Short-term financial assets at amortized cost: Carrying amount at the end of the reporting period was 28,240,988 thousand tenge. Below is a transcript of the articles.

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Loans issued to customers	727 564	837 163
Loans issued to financial institutions, including those issued under Islamic finance programs	17 485 581	18 602 815
Bank deposits with original maturities greater than three months	9 185 214	15 042 545
<b>Total</b>	<b>27 398 359</b>	<b>34 482 523</b>

Including short-term investment securities valued at amortised cost of an amount 842,629 thousand tenge

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Bonds of other corporate issuers	842 629	805 618
<b>Total</b>	<b>842 629</b>	<b>805 618</b>

Short-term financial assets at fair value through other comprehensive income: Carrying/fair value of the securities at the end of the reporting period was 3,288,140 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>
MF RK	3 250 295	3 184 456
«SWF «Samruk-Kazyna» JSC	13 201	30 381
STB	24 644	-
<b>Total</b>	<b>3 288 140</b>	<b>3 214 837</b>

Short-term financial assets accounted for at fair value through profit or loss: Carrying/fair value of the securities at the end of the reporting period was 2,600 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 Ministry of Finance of Kazakhstan	2 600	965
<b>Total</b>	<b>2 600</b>	<b>965</b>

## 2. Long-term assets:

Long-term financial assets estimated at amortized cost at the end of the reporting period amounted 275,873,154 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 issued to customers	55 608	97 806
Loans issued to financial institutions, including under Islamic finance programs	246 450 264	211 302 960
Bank deposits with original maturities greater than three months	-	49 844 950
<b>Total</b>	<b>246 505 872</b>	<b>261 245 716</b>

Long-term financial assets at fair value through other comprehensive income: Carrying/fair value of the securities at the end of the reporting period amounted 29,367,282 thousand tenge.

Long-term financial assets measured at fair value through other comprehensive income: The book/fair value of the Central Bank at the end of the reporting period amounted to 4,051,443 thousand tenge. Below to the transcript.

	<i>thousand tenge</i>	
	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
«SWF «Samruk-Kazyna» JSC	3 466 525	3 271 502
STB	584 918	-
<b>Total</b>	<b>4 051 443</b>	<b>3 271 502</b>



Long-term financial assets accounted for at fair value through profit or loss: Carrying/fair value of the securities at the end of the reporting period was 68,501 thousand tenge. Below is the transcript.

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Bonds of Ministry of Finance of Kazakhstan	68 501	70 782
<b>Total</b>	<b>68 501</b>	<b>70 782</b>

Fixed assets: The carrying value of assets in property, plant and equipment at the end of the reporting period amounted 1,825,494 thousand tenge. Accumulated depreciation of fixed assets at the end of the reporting period amounted 2,044,883 thousand tenge.

Intangible assets: The carrying value of intangible assets at the end of the reporting period amounted 219,189 thousand tenge, including software and licenses. Accumulated amortization of intangible assets at the end of the reporting period amounted 769,059 thousand tenge.

### **3. Short-term liabilities:**

Short-term financial liabilities measured at amortised cost at the end of the reporting period amounted 7,313,022 thousand tenge. Below is the transcript:

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
«NMH «Baiterek» JSC	65 486	106 986
Municipal authorities	7 222 246	5 964 346
Loans received from other organizations	168	43
<b>Total</b>	<b>7 287 900</b>	<b>6 071 375</b>

Including this article, the short-term book value/fair value of debt securities issued of an amount 25,122 thousand tenge, at the beginning of the reporting period KZT 5,289 thousand tenge.

Other short-term financial liabilities at the end of the reporting period amounted 72,007,003 thousand tenge. Below is a transcript of the articles.

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Accounts Payable	256 599	333 330
Dividends payable	27 014 412	-
Accrued commission expenses	127 869	131 928
Provision for loan related commitments	20 864 502	21 810 969
Funds intended to subsidize small and medium-sized business remuneration rates	23 508 702	82 623 099
Finance lease liabilities	234 919	396 701
<b>Total</b>	<b>72 007 003</b>	<b>105 296 027</b>

### **4. Long-term liabilities:**

Long-term financial liabilities estimated at amortised cost at the end of the reporting period amounted 147,014,693 thousand tenge.

Details of loan is presenting in the table below.

*thousand tenge*

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Municipal authorities	32 999 193	31 986 106
«NMH «Baiterek» JSC	112 515 501	110 758 567
Loans received from other organizations	499 999	499 999
<b>Total</b>	<b>146 014 693</b>	<b>143 244 672</b>

Including this article, the carrying/fair value of issued debt securities are recording of an amount 1,000,000 thousand tenge, at the beginning of the reporting period, 1,000,000 thousand tenge.

## 5. Capital

Authorized (share) capital amounted to 102,920,273 thousand tenge. Without changes.

Components of other total income – 8,290,017 thousand tenge.

Other reserve - 316,430 thousand tenge.

Retained profit (RP) at the end of the reporting period amounted 73,167,886 thousand tenge.

## 6. Explanations on income and expenses of the Fund for the 2st quarter of 2024 compared to the same period of 2023:

	<i>thousand tenge</i>	
	<b>2st quarter 2024</b>	<b>2st quarter 2023</b>
Implementation Costs	(504 749)	(476 815)
Administrative expenses	(1 578 658)	(1 481 120)
<b>Total operating profit (loss)</b>	<b>(2 083 407)</b>	<b>(1 957 935)</b>
Financial income	9 474 072	9 663 996
Finance expenses	(1 874 710)	(2 028 177)
Other income	7 797 790	9 837 407
Other expenses	(10 072 954)	6 251 236
<b>Profit (loss) before tax</b>	<b>3 240 791</b>	<b>21 766 527</b>
Income tax expense (-) (income (+))	(686 093)	(4,215,894)
<b>Profit (loss) after taxation from continuing operations</b>	<b>2 554 698</b>	<b>17 550 633</b>

For the 2st quarter of 2024 the Fund made profit at the amount of 2,554,69 thousand tenge.

**Head:** G.A. Buribayeva

(Full name)

**Chief Accountant:** A.T. Bekmuratova

(Full name)

**Approved by:**

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

(Full name)

The stamp is circular with the text 'ҚАЗАҚСТАН РЕСПУБЛИКАСЫ АРҚАУЛАНДЫРҒАН ҚОҒАМ АҚШЫ' (Public Joint-Stock Company of the Republic of Kazakhstan) around the perimeter. In the center, it says 'DAMU'. There are three handwritten signatures in blue ink over the stamp.

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Organization name DAMU ENTREPRENEURSHIP DEVELOPMENT FUND JOINT STOCK COMPANY

Reorganization details: -

Type of activity of the organization: Other types of lending

Organizational and legal form: Joint Stock Company

Report type:

Average annual number of employees: 429 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 30.06.2024

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	140 962 982	213 265 730
Short-term financial assets measured at amortized cost	011	28 240 988	35 288 141
Short-term financial assets measured at fair value through other comprehensive income	012	3 288 140	3 214 837
Short-term financial assets measured at fair value through profit or loss	013	2 600	965
Short-term derivative financial instruments	014		
Other short-term financial assets	015	4 305 975	1 049 197
Short-term trade and other receivables	016		
Short-term lease receivables	017	2 736	3 079
Short-term assets under contracts with customers	018		
Current income tax	019	2 864 526	2 539 318
Stocks	020	47 859	66 947
Biological assets	021		
Other short-term assets	022	285 202	816 951
<b>Total short-term assets (sum of lines 010 to 022)</b>	<b>100</b>	<b>180 001 008</b>	<b>256 245 166</b>
Assets (or disposal groups) held for sale	101	230 233	28 347
<b>II. Long-term assets</b>			
Long-term financial assets measured at amortized cost	110	275 873 154	261 245 716
Long-term financial assets measured at fair value through other comprehensive income	111	4 051 443	3 271 502
Long-term financial assets measured at fair value through profit or loss	112	68 501	70 782
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		
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	1 825 494	2 025 507
Right-of-use asset	122	614 989	676 481
Biological assets	123		
Exploration and evaluation assets	124		
Intangible assets	125	219 189	241 619
Deferred tax assets	126	1 395 507	582 713
Other long-term assets	127		
<b>Total long-term assets (sum of lines 110 to 127)</b>	<b>200</b>	<b>284 048 277</b>	<b>268 114 320</b>
<b>Balance (line 100 + line 101+ line 200)</b>		<b>464 279 518</b>	<b>524 387 832</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	7 313 022	6 076 664
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	72 007 003	105 296 027
Short-term trade and other payables	214		
Short-term estimated liabilities	215		
Current tax liabilities for income tax	216	108 921	233 357
Remuneration to employees	217	111 036	182 197
Short-term lease debt	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220		
Dividends payable	221		
Other short-term liabilities	222	16 453 943	24 015 777
<b>Total short-term liabilities (sum of lines 210 to 222)</b>	<b>300</b>	<b>95 993 926</b>	<b>135 804 023</b>
Liabilities of disposal groups held for sale	301		
<b>IV. Long-term liabilities</b>			
Long-term financial liabilities measured at amortized cost	310	147 014 693	144 244 672
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	417 232	311 450
Long-term trade and other payables	314		
Long-term estimated liabilities	315		
Deferred tax liabilities	316		
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	36 159 061	30 768 998
<b>Total long-term liabilities (sum of lines 310 to 321)</b>	<b>400</b>	<b>183 590 986</b>	<b>175 325 120</b>
<b>V. Capital</b>			
Authorized (share) capital	410	102 920 273	102 920 273
Share premium	411		
Repurchased own equity instruments	412		
Components of other comprehensive income	413	8 290 017	10 400 344
Retained earnings (uncovered loss)	414	73 167 886	99 621 643
Other capital	415	316 430	316 430
<b>Total capital attributable to owners (sum of lines 410 to 415)</b>	<b>420</b>	<b>184 694 606</b>	<b>213 258 689</b>
Share of non-controlling owners	421		
<b>Total capital (line 420 +/- line 421)</b>	<b>500</b>	<b>184 694 606</b>	<b>213 258 689</b>
<b>Balance (line 300 + line 301 + line 400 + line 500)</b>		<b>464 279 518</b>	<b>524 387 832</b>

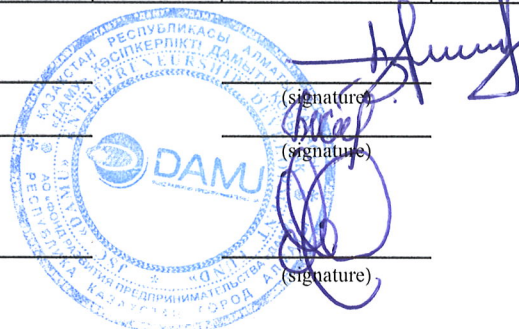
Head: Buribayeva G.A.  
(surname, name, patronymic)

Chief Accountant: Bekmuratova A.T.  
(surname, name, patronymic)

Agree by:

Deputy Chairman of the Management Board Makazhanov B.N.  
(surname, name, patronymic)

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Organization name DAMU ENTREPRENEURSHIP DEVELOPMENT FUND JOINT STOCK COMPANY

**Profit and loss statement**  
as of 30.06.2024

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	504 749	476 815
Administrative expenses	014	1 578 658	1 481 120
<b>Total operating profit (loss) (+/- lines 012 to 014)</b>	<b>020</b>	<b>-2 083 407</b>	<b>-1 957 935</b>
Financial income	021	9 474 072	9 663 996
Financial expenses	022	1 874 710	2 028 177
The entity's share in the profit (loss) of associates and joint ventures accounted for using the equity method	023		
Other revenue	024	7 797 790	9 837 407
Other expenses	025	10 072 954	-6 251 236
<b>Profit (loss) before tax (+/- lines 020 to 025)</b>	<b>100</b>	<b>3 240 791</b>	<b>21 766 527</b>
Income tax expense (-) (income (+))	101	-686 093	-4 215 894
<b>Profit (loss) after tax from continuing operation (line 100 + line 101)</b>	<b>200</b>	<b>2 554 698</b>	<b>17 550 633</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>2 554 698</b>	<b>17 550 633</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>-23 485</b>	<b>-225 302</b>
including			
revaluation of debt financial instruments measured at fair value through other comprehensive income	410	-23 485	-225 302
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>-23 485</b>	<b>-225 302</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>2 531 213</b>	<b>17 325 331</b>
Total comprehensive income attributable to:			
of parent organization owners			
share of non-controlling owners			

<b>Earnings per share:</b>	<b>600</b>		<b>0</b>
including			
Basic earnings per share:			
from continuing activities			
from discontinued activities			
Diluted earnings per share:			
from continuing activities			
from discontinued activities			

Head: Buribayeva G.A.  
 \_\_\_\_\_  
 (surname, name, patronymic)  
 Chief Accountant: Bekmuratova A.T.  
 \_\_\_\_\_  
 (surname, name, patronymic)

**Agree by:**  
 Deputy Chairman of the Management Board      Makazhanov B.N.  
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 (surname, name, patronymic)

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