

**Explanatory Note
to financial statements of “Damu” Entrepreneurship Development Fund” JSC
for the 3rd 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 September 30, 2024, the Fund employed 454 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 86,380,362 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>
Current accounts in NB and STB bank accounts	80 756 112	103 055 361
Purchase and reverse sale agreements ("reverse repo") with original maturity less than three months	5 624 250	37 907 621
Total	86 380 362	140 962 982

Short-term financial assets at amortized cost: Carrying amount at the end of the reporting period was 37,680,556 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	724 439	727 564
Loans issued to financial institutions, including those issued under Islamic finance programs	16 256 303	17 485 581
Bank deposits with original maturities greater than three months	19 684 399	9 185 214
Total	36 665 141	27 398 359

Including short-term investment securities valued at amortised cost of an amount 1,015,415 thousand tenge, at the beginning of the reporting period, 842,629 thousand tenge.

thousand tenge

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
Bonds of other corporate issuers	1 015 415	805 618
Total	1 015 415	805 618

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 3,399,459 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>
MF RK	3 354 841	3 250 295
«SWF «Samruk-Kazyna» JSC	32 720	13 201
STB	11 898	24 644
Total	3 399 459	3 288 140

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 4,230 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	4 230	2 600
Total	4 230	2 600

2. Long-term assets:

Long-term financial assets estimated at amortized cost at the end of the reporting period amounted 276,924,150 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	39 159	55 608
Loans issued to financial institutions, including under Islamic finance programs	202 360 622	246 450 264
Bank deposits with original maturities greater than three months	47 675 137	-
Total	250 074 918	246 505 872

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 26,849,232 thousand tenge, at the beginning of the reporting period 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 4,225,578 thousand tenge. Below to the transcript.

thousand tenge

	<i>At the end of the reporting period</i>	<i>At the beginning of the reporting period</i>
«SWF «Samruk-Kazyna» JSC	3 628 196	3 466 525
STB	597 382	584 918
Total	4 225 578	4 051 443

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 69,179 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	69 179	68 501
Total	69 179	68 501

Fixed assets: The carrying value of assets in property, plant and equipment at the end of the reporting period amounted 1,855,951 thousand tenge. Accumulated depreciation of fixed assets at the end of the reporting period amounted 2,097,304 thousand tenge.

Intangible assets: The carrying value of intangible assets at the end of the reporting period amounted 182,726 thousand tenge, including software and licenses. Accumulated amortization of intangible assets at the end of the reporting period amounted 760,722 thousand tenge.

3. Short-term liabilities:

Short-term financial liabilities measured at amortised cost at the end of the reporting period amounted 6,774,518 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	106 986	65 486
Municipal authorities	6 662 200	7 222 246
Loans received from other organizations	43	168
Total	6 769 229	7 287 900

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

Other short-term financial liabilities at the end of the reporting period amounted 29,631,537 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	235 754	256 599
Dividends payable	-	27 014 412
Accrued commission expenses	125 988	127 869
Provision for loan related commitments	23 672 554	20 864 502
Funds intended to subsidize small and medium-sized business remuneration rates	5 341 395	23 508 702
Finance lease liabilities	255 846	234 919
Total	29 631 537	72 007 003

4. Long-term liabilities:

Long-term financial liabilities estimated at amortised cost at the end of the reporting period amounted 148,279,405 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	32 456 220	32 999 193
«NMH «Baiterek» JSC	114 323 186	112 515 501
Loans received from other organizations	499 999	499 999
Total	147 279 405	146 014 693

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 – 8,391,187 thousand tenge.

Other reserve - 316,430 thousand tenge.

Retained profit (RP) at the end of the reporting period amounted 81,589,940 thousand tenge.

6. Explanations on income and expenses of the Fund for the 3st quarter of 2024 compared to the same period of 2023:

	<i>thousand tenge</i>	
	September 30, 2024	September 30, 2023
Implementation Costs	(588 359)	(376 894)
Administrative expenses	(1 612 736)	(1 391 071)
Total operating profit (loss)	(2 201 095)	(1 767 965)
Financial income	8 696 741	8 795 571
Finance expenses	(1 254 639)	(510 818)
Other income	17 308 888	13 283 257
Other expenses	(14 127 840)	(7 871 290)
Profit (loss) before tax	8 442 055	11 928 755
Income tax expense (-) (income (+))		
Profit (loss) after taxation from continuing operations	8 442 055	11 928 755

For the 3st quarter of 2024 the Fund made profit at the amount of 8,442,055 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)

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Form 1

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: 454 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 30.09.2024

thousand tenge

Item name	Line code	As on the end of accounting period	As on the beginning of accounting period
Assets			
I. Short-term assets:			
Cash and cash equivalents	010	86 380 362	140 962 982
Short-term financial assets measured at amortized cost	011	37 680 556	28 240 988
Short-term financial assets measured at fair value through other comprehensive income	012	3 399 459	3 288 140
Short-term financial assets measured at fair value through profit or loss	013	4 230	2 600
Short-term derivative financial instruments	014		
Other short-term financial assets	015	10 467 564	4 305 975
Short-term trade and other receivables	016		
Short-term lease receivables	017	3 175	2 736
Short-term assets under contracts with customers	018		
Current income tax	019	5 679 720	2 864 526
Stocks	020	61 910	47 859
Biological assets	021		
Other short-term assets	022	230 450	285 202
Total short-term assets (sum of lines 010 to 022)	100	143 907 426	180 001 008
Assets (or disposal groups) held for sale	101	230 233	230 233
II. Long-term assets			
Long-term financial assets measured at amortized cost	110	276 924 150	275 873 154
Long-term financial assets measured at fair value through other comprehensive income	111	4 225 578	4 051 443
Long-term financial assets measured at fair value through profit or loss	112	69 179	68 501
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	1 855 951	1 825 494
Right-of-use asset	122	553 498	614 989
Biological assets	123		
Exploration and evaluation assets	124		
Intangible assets	125	182 726	219 189
Deferred tax assets	126	1 395 507	1 395 507
Other long-term assets	127		
Total long-term assets (sum of lines 110 to 127)	200	285 206 589	284 048 277
Balance (line 100 + line 101+ line 200)		429 344 248	464 279 518

Item name	Line code	As on the end of accounting period	As on the beginning of accounting period
Liability and capital			
III. Short-term liabilities:			
Short-term financial liabilities measured at amortized cost	210	6 774 518	7 313 022
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	29 631 537	72 007 003
Short-term trade and other payables	214		
Short-term estimated liabilities	215		
Current tax liabilities for income tax	216	87 404	108 921
Remuneration to employees	217	90 895	111 036
Short-term lease debt	218		
Short-term liabilities under contracts with customers	219		
Government subsidies	220		
Dividends payable	221		
Other short-term liabilities	222	16 374 717	16 453 943
Total short-term liabilities (sum of lines 210 to 222)	300	52 959 071	95 993 926
Liabilities of disposal groups held for sale	301		
IV. Long-term liabilities			
Long-term financial liabilities measured at amortized cost	310	148 279 405	147 014 693
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	331 759	417 232
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	34 556 183	36 159 061
Total long-term liabilities (sum of lines 310 to 321)	400	183 167 347	183 590 986
V. Capital			
Authorized (share) capital	410	102 920 273	102 920 273
Share premium	411		
Repurchased own equity instruments	412		
Components of other comprehensive income	413	8 391 187	8 290 017
Retained earnings (uncovered loss)	414	81 589 940	73 167 886
Other capital	415	316 430	316 430
Total capital attributable to owners (sum of lines 410 to 415)	420	193 217 830	184 694 606
Share of non-controlling owners	421		
Total capital (line 420 +/- line 421)	500	193 217 830	184 694 606
Balance (line 300 + line 301 + line 400 + line 500)		429 344 248	464 279 518

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 30.09.2024

thousand tenge

Indicators	Line code	For the accounting period	For the previous period
Revenue	010		
Prime cost of goods and services sold	011		
Gross profit (line 010 - line 011)	012		
Sale expenses	013	588 359	376 894
Administrative expenses	014	1 612 736	1 391 071
Total operating profit (loss) (+/- lines 012 to 014)	020	-2 201 095	-1 767 965
Financial income	021	8 696 741	8 795 571
Financial expenses	022	1 254 639	510 818
The entity's share in the profit (loss) of associates and joint ventures accounted for using the equity method	023		
Other revenue	024	17 308 888	13 283 257
Other expenses	025	14 127 840	7 871 290
Profit (loss) before tax (+/- lines 020 to 025)	100	8 422 055	11 928 755
Income tax expense (-) (income (+))	101		
Profit (loss) after tax from continuing operation (line 100 + line 101)	200	8 422 055	11 928 755
Profit (loss) after tax from discontinued operations	201		
Profit for the year (line 200 + line 201) attributable to:	300	8 422 055	11 928 755
of parent organization owners			
share of non-controlling owners			
Other comprehensive income, total (sum of 420 and 440):	400	101 169	253 365
including			
revaluation of debt financial instruments measured at fair value through other comprehensive income	410	101 169	253 365
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		
Total other comprehensive income to be reclassified to income or expense in subsequent periods (net of income tax) (sum of lines 410 to 418)	420	101 169	253 365
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		
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)	440		
Total comprehensive income (line 300 + line 400)	500	8 523 224	12 182 120
Total comprehensive income attributable to:			
of parent organization owners			
share of non-controlling owners			

Earnings per share:	600		0
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.
 (surname, name, patronymic)

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