

FINANCIAL STATEMENTS

— FOR 2018

Statement of financial position	109
Statement of profit or loss	110
Statement of comprehensive income	111
Statement of changes in equity	112
Statement of cash flows	113

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018, IN THOUSANDS OF TENGE

	Note	31 December 2018	31 December 2017
Assets			
Cash and cash equivalents	5	44.798.305	41.239.167
Amounts due from credit institutions	6	–	149.809
Loans to customers	7	43.004.358	45.066.761
Finance lease receivables	8	186.617.217	183.288.007
Property held for finance lease	9	10.740.178	5.131.712
Current corporate income tax assets	17	175.427	125.579
Property and equipment	10	995.816	1.040.490
Intangible assets	11	554.969	530.043
VAT and other taxes recoverable	12	3.891.038	3.106.338
Advances paid	13	7.190.060	2.558.452
Other assets	20	966.510	576.406
Total assets		298.933.878	282.812.764
Liabilities			
Amounts due to the Shareholder	14	67.232.037	75.539.402
Amounts due to credit institutions	15	41.807.710	40.429.623
Debt securities issued	16	64.596.068	46.969.316
Deferred corporate income tax liabilities	17	1.338.197	1.669.304
Advances received	18	4.263.925	3.555.199
Deferred VAT liabilities		5.070.632	3.979.227
Other liabilities	20	8.275.597	7.885.742
Total liabilities		192.584.166	180.027.813
Equity			
Share capital	21	82.837.204	82.837.204
Additional paid-in capital	21	25.730.293	24.912.791
Reserve funds	21	1.436.184	1.436.184
Provision for notional distribution	21	(9.605.611)	(9.542.733)
Retained earnings		5.951.642	3.141.505
Total equity		106.349.712	102.784.951
Total liabilities and equity		298.933.878	282.812.764
Book value per common share (in tenge)	21	1.277,14	1.234,41

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

Izbastin Kanysh Temirtayevich



Chairman of the Management Board

Shodanova Gulnara Takishevna

Chief accountant

15 April 2019

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2018, IN THOUSANDS OF TENGE

	Note	2018	2017*
Interest revenue calculated using effective interest rate			
Cash and cash equivalents		1.486.056	1.953.413
Loans to customers		4.491.387	6.184.998
Investment securities		173.417	–
		6.150.860	8.138.411
Other interest revenue			
Finance lease receivables		19.995.116	18.966.880
		19.995.116	18.966.880
Total interest income		26.145.976	27.105.291
Interest expenses			
Due to the Shareholder		(5.150.325)	(5.990.768)
Debt securities issued		(4.859.740)	(4.551.325)
Due to credit institutions		(3.597.104)	(3.757.399)
Total interest expense		(13.607.169)	(14.299.492)
Net interest income		12.538.807	12.805.799
Credit loss expense	19	(2.818.840)	(3.440.540)
Net interest income after credit loss expense		9.719.967	9.365.259
Net losses from transactions with derivative financial assets		–	(786.945)
Net gains/(losses) from foreign currencies		469.670	(1.274.414)
Other income	23	970.887	1.024.387
Personnel expenses	24	(2.729.776)	(2.620.500)
Other operating expenses	24	(913.138)	(1.034.092)
Net loss from modification of loans to customers	7	(664.681)	(599.402)
Other impairment and provision expenses	19	(189.906)	(376.102)
Depreciation and amortisation	10, 11	(231.506)	(192.108)
Non-interest expenses		(3.288.450)	(5.859.176)
Profit before corporate income tax expense		6.431.517	3.506.083
Corporate income tax benefit	17	296.855	66.137
Profit for the year		6.728.372	3.572.220
Basic and diluted earnings per common share (in tenge)	21	81,22	43,12

* Certain amounts in this column do not conform to 2017 financial statements, as they reflect the reclassifications made and disclosed in Note 2.

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

Izbastin Kanysh Temirtayevich



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Chairman of the Management Board

Shodanova Gulnara Takishevna

Chief accountant

15 April 2019

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018, IN THOUSANDS OF TENGE

	Note	2018	2017
Profit for the year		6.728.372	3.572.220
Other comprehensive income for the year		–	–
Total comprehensive income for the year		6.728.372	3.572.220

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Izbastin Kanysh Temirtayevich



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Chairman of the Management Board

Shodanova Gulnara Takishevna

Chief accountant

15 April 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018, IN THOUSANDS OF TENGE

	Share capital	Additional paid-in capital	Reserve funds	Provision for notional distribution	Retained earnings	Total
As at 31 December 2016	82.837.204	23.282.853	1.436.184	(9.372.015)	1.183.599	99.367.825
Total comprehensive income for the year	–	–	–	–	3.572.220	3.572.220
Gain on initial recognition of loans due to the Shareholder at fair value, net of tax (Note 21)	–	1.629.938	–	–	–	1.629.938
Dividends declared (Note 21)	–	–	–	–	(1.614.314)	(1.614.314)
Provision for notional distribution for the year, net of tax (Note 21)	–	–	–	(170.718)	–	(170.718)
As at 31 December 2017	82.837.204	24.912.791	1.436.184	(9.542.733)	3.141.505	102.784.951
Impact of adopting IFRS 9 (Note 3)	–	–	–	–	(346.015)	(346.015)
Restated opening balance under IFRS 9	82.837.204	24.912.791	1.436.184	(9.542.733)	2.795.490	102.438.936
Total comprehensive income for the year	–	–	–	–	6.728.372	6.728.372
Gain on initial recognition of loans due to the Shareholder at fair value, net of tax (Note 21)	–	817.502	–	–	–	817.502
Dividends declared (Note 21)	–	–	–	–	(3.572.220)	(3.572.220)
Provision for notional distribution for the year, net of tax (Note 21)	–	–	–	(62.878)	–	(62.878)
As at 31 December 2018	82.837.204	25.730.293	1.436.184	(9.605.611)	5.951.642	106.349.712

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

Izbastin Kanysh Temirtayevich



Chairman of the Management Board

Shodanova Gulnara Takishevna

Chief accountant

15 April 2019

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018, IN THOUSANDS OF TENGE

	Note	2018	2017
Cash flows from operating activities			
Interest received		22.968.078	23.717.641
Interest paid		(9.941.005)	(10.307.315)
Realised gains less losses from transactions with derivative financial assets		–	42.121
Realised losses less gains from dealing in foreign currencies		(123.105)	(107.662)
Personnel expenses paid		(2.689.031)	(2.788.270)
Other operating expenses paid		(882.191)	(995.693)
Other income received		453.882	318.740
Cash flows from operating activities before changes in operating assets and liabilities		9.786.628	9.879.562
<i>Net (increase)/decrease in operating assets:</i>			
Amounts due from credit institutions		–	532.728
Loans to customers		2.187.468	7.561.478
Finance lease receivables		(7.826.399)	17.276.929
VAT and other taxes recoverable		(784.700)	(1.232.312)
Advances paid		(4.644.534)	(2.256.264)
Other assets		(126.120)	(794.817)
<i>Net increase/(decrease) in operating liabilities:</i>			
Advances received		792.588	1.052.974
Other liabilities		(905.603)	445.659
Net cash flows (used in) / from operating activities before corporate income tax		(1.520.672)	32.465.937
Corporate income tax paid		(232.401)	(293.319)
Net cash flows (used in) / from operating activities		(1.753.073)	32.172.618
Cash flows from investing activities			
Purchase of property and equipment and intangible assets	10, 11	(211.840)	(537.062)
Proceeds from sale of property and equipment		795	4.526
Net cash used in investing activities		(211.045)	(532.536)
Cash flows from financing activities			
Proceeds from loans due to the Shareholder		11.232.415	6.653.248
Repayment of loans due to the Shareholder		(22.971.379)	(18.511.028)
Proceeds from loans due to credit institutions		19.000.000	11.220.884
Repayment of loans due to credit institutions		(17.617.865)	(10.953.506)
Proceeds from debt securities issued		17.250.959	–
Dividends paid to the Shareholder	21	(3.572.220)	(1.614.314)
Net cash from / (used in) financing activities		3.321.910	(13.204.716)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018, IN THOUSANDS OF TENGE (continue)

	Note	2018	2017
Effect of exchange rate changes on cash and cash equivalents		2.202.417	(186.090)
Effect of changes in expected credit losses on cash and cash equivalents	5	(1.071)	–
Net increase in cash and cash equivalents		3.559.138	18.249.276
Cash and cash equivalents, beginning of the year	5	41.239.167	22.989.891
Cash and cash equivalents, ending of the year	5	44.798.305	41.239.167
Non-cash transactions			
Offsetting of current corporate income tax assets against other tax liabilities		–	300.000

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

Izbastin Kanysh Temirtayevich



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Chairman of the Management Board

Shodanova Gulnara Takishevna

Chief accountant

15 April 2019