

ForteBank Joint Stock Company

Interim Condensed Consolidated Financial Statements

*30 September 2024
and Independent Auditors' Report on Review of
Interim Condensed Consolidated Financial Information*

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Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information

To the Shareholders and Board of Directors of «ForteBank» Joint Stock Company

Introduction

We have reviewed the accompanying 30 September 2024 interim condensed consolidated financial information of «ForteBank» Joint Stock Company and its subsidiaries (the “Group”), which comprises the interim condensed consolidated statement of financial position as at 30 September 2024, the interim condensed consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2024 and 2023, the interim condensed consolidated statements of changes in equity and cash flows for the nine-month periods ended 30 September 2024 and 2023, and notes to the interim condensed consolidated financial information (the “interim condensed consolidated financial information”).

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our reviews.

Scope of Reviews

We conducted our reviews in accordance with the International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



«ForteBank» Joint Stock Company

Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information

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Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying 30 September 2024 interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



Assel Urdabayeva
Authorised representative (Audit Partner)
KPMG Audit LLC
Astana, Republic of Kazakhstan

10 December 2024

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month and nine-month period ended 30 September 2024

(millions of tenge)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>	2024 <i>(unaudited)</i>	2023 <i>(unaudited)</i>
Interest income calculated using effective interest rate	4	136,153	95,110	379,676	264,012
Other interest income	4	1,500	965	4,017	2,400
Interest expense	4	(69,706)	(45,481)	(194,520)	(128,451)
Net interest income		67,947	50,594	189,173	137,961
Fee and commission income		9,318	9,287	26,147	26,675
Fee and commission expense		(3,420)	(2,960)	(9,941)	(9,906)
Net gain on financial instruments at fair value through profit or loss	5	904	406	5,280	12
Net gain/(loss) on derecognition of investment securities at fair value through other comprehensive income		133	(158)	231	(36)
Net foreign exchange gain	6	6,685	6,180	16,924	23,713
Dividends received		2	–	496	302
Other income		564	2,682	2,675	6,182
Non-interest income		14,186	15,437	41,812	46,942
Credit loss expenses	7	(16,794)	(10,018)	(34,326)	(32,770)
Net loss on derecognition of financial assets measured at amortised cost		(220)	(1,682)	(766)	(3,358)
Net loss on modification of a liability that results in derecognition	15	–	–	(3,593)	–
General and administrative expenses	8	(21,443)	(23,046)	(63,444)	(58,547)
Other expenses		(2,293)	(1,346)	(5,522)	(4,200)
Non-interest expenses		(40,750)	(36,092)	(107,651)	(98,875)
Profit before corporate income tax benefit		41,383	29,939	123,334	86,028
Corporate income tax (expense)/benefit	9	(3,526)	(712)	(10,712)	545
Profit for the period		37,857	29,227	112,622	86,573

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month and nine-month period ended 30 September 2024

(millions of tenge)

	Note	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2024 (unaudited)	2023 (unaudited)	2024 (unaudited)	2023 (unaudited)
Other comprehensive income					
<i>Other comprehensive income/ (loss) to be reclassified to profit or loss in the subsequent periods</i>					
Net change in fair value of debt instruments at fair value through other comprehensive income		14,038	860	13,628	11,538
Income tax relating to components of other comprehensive income		(209)	127	(164)	2
Change in allowance for expected credit losses of debt instruments at fair value through other comprehensive income	7	(183)	(19)	698	195
Amount reclassified to profit or loss as a result of derecognition of debt instruments measured at fair value through other comprehensive income		(133)	158	(231)	36
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		13,513	1,126	13,931	11,771
<i>Other comprehensive income/ (loss), that will not to be reclassified subsequently to profit or loss</i>					
Profit/ (loss) on equity instruments measured at fair value through other comprehensive income		4	–	3	(803)
Total other comprehensive income/ (loss) that will not be reclassified to profit or loss in subsequent periods		4	–	3	(803)
Other comprehensive income for the period, net of tax		13,517	1,126	13,934	10,968
Total comprehensive income for the period		51,374	30,353	126,556	97,541
Basic and diluted earnings per ordinary share (in tenge)	18	0.42	0.32	1.25	0.96

R. I. Irmatov
Deputy Chairman of the Management Board (CFO)

10 December 2024



Z. B. Albosshova
Chief Accountant – Managing Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**At 30 September 2024***(millions of tenge)*

	<i>Note</i>	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Assets			
Cash and cash equivalents	10	856,458	704,042
Amounts due from credit institutions	11	47,215	101,430
Securities measured at fair value through profit or loss		2,868	3,016
Loans to customers	12	1,674,244	1,377,500
Investment securities:			
<i>Held by the Group</i>	13	984,100	789,486
<i>Pledged under sale and repurchase agreement</i>	13	426,168	164,168
Property and equipment		54,617	56,665
Intangible assets		15,385	13,867
Other assets		39,883	43,001
Total assets		4,100,938	3,253,175
Liabilities			
Current accounts and deposits of customers	14	2,731,483	2,261,023
Amounts due to banks and other credit institutions	15	82,362	68,384
Amounts payable under repurchase agreements	16	424,591	163,523
Debt securities issued		288,274	267,250
Subordinated debt		14,647	14,389
Deferred tax liabilities		15,011	12,732
Other liabilities		46,421	36,066
Total liabilities		3,602,789	2,823,367
Equity			
Share capital	17	332,815	332,815
Additional paid-in capital		23,651	23,651
Treasury shares	17	(3,465)	(3,465)
Fair value reserve		7,890	(6,044)
Retained earnings		137,258	82,851
Total equity		498,149	429,808
Total equity and liabilities		4,100,938	3,253,175

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**For the nine-month period ended 30 September 2024***(millions of tenge)*

	<i>Note</i>	<i>For the nine-month period ended 30 September</i>	
		<i>2024 (unaudited)</i>	<i>2023 (unaudited)</i>
Cash flows from operating activities			
Interest income received	4	355,009	262,574
Interest expenses paid	4	(174,997)	(110,197)
Fee and commission income received		26,059	27,101
Fee and commission expenses paid		(9,944)	(9,921)
Net realised income on financial instruments at fair value through profit or loss		5,230	50
Net realised foreign exchange gain	6	23,368	25,388
Other operating (expenses paid)/income received, net		(643)	7,492
Dividends received		496	302
General and administrative expenses paid		(48,158)	(47,607)
(Increase)/decrease in operating assets			
Amounts due from credit institutions		52,932	(872)
Securities measured at fair value through profit or loss		162	(70)
Loans to customers		(300,625)	(164,110)
Other assets		3,060	11,003
Increase/(decrease) in operating liabilities			
Current accounts and deposits of customers		421,941	54,134
Amounts due to banks and other credit institutions		13,610	2,609
Amounts payable under repurchase agreements		261,001	(16,974)
Other liabilities		(2,773)	1,877
Net cash flow from operating activities before corporate income tax		625,728	42,779
Corporate income tax paid		(6,334)	(2,358)
Net cash from operating activities		619,394	40,421
Cash flows from investing activities			
Proceeds from redemption of investment securities measured at amortised cost		–	4,834
Purchase of investment securities at fair value through other comprehensive income		(818,857)	(372,276)
Proceeds from sale of investment securities at fair value through other comprehensive income		37,538	71,877
Proceeds from redemption of investment securities at fair value through other comprehensive income		371,951	342,386
Purchase of property and equipment and intangible assets		(6,202)	(3,623)
Proceeds from sale of property and equipment and intangible assets		53	1
Net cash (used in)/from investing activities		(415,517)	43,199
Cash flows from financing activities			
Repayment of financial lease liabilities		(615)	(527)
Repayment of subordinated debt		–	(2,313)
Redemption of debt securities issued		(3,067)	(11,382)
Proceeds from placement of debt securities issued		3,907	11,551
Dividends paid	17	(58,214)	(49,034)
Net cash used in financing activities		(57,989)	(51,705)
Net change in cash and cash equivalents		145,888	31,915
Effect of changes in exchange rates on cash and cash equivalents		6,529	(535)
Effect of expected credit loss on cash and cash equivalents		(1)	6
Cash and cash equivalents as at the beginning of the period		704,042	457,962
Cash and cash equivalents at the end of the period		856,458	489,348
Non-monetary transactions			
Repossession of collateral on loans to customers		1,395	1,251

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**For the nine-month period ended 30 September 2024***(millions of tenge)*

	<i>Share capital</i>	<i>Additional paid-in capital</i>	<i>Treasury shares</i>	<i>Fair value reserve</i>	<i>Retained earnings</i>	<i>Total equity</i>
At 1 January 2024	332,815	23,651	(3,465)	(6,044)	82,851	429,808
Profit for the reporting period (unaudited)	–	–	–	–	112,622	112,622
Other comprehensive income, that will not to be reclassified subsequently to profit or loss (unaudited)	–	–	–	3	–	3
Other comprehensive income, that will be reclassified subsequently to profit or loss (unaudited)	–	–	–	13,931	–	13,931
Total comprehensive income for the period (unaudited)	–	–	–	13,934	112,622	126,556
Dividends declared (<i>Note 17</i>) (unaudited)	–	–	–	–	(58,215)	(58,215)
At 30 September 2024 (unaudited)	332,815	23,651	(3,465)	7,890	137,258	498,149

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	<i>Share capital</i>	<i>Additional paid-in capital</i>	<i>Treasury shares</i>	<i>Fair value reserve</i>	<i>Accumulated losses</i>	<i>Total equity</i>
At 1 January 2023	332,815	23,651	(3,465)	(23,886)	14,645	343,760
Profit for the reporting period (unaudited)	–	–	–	–	86,573	86,573
Other comprehensive income, that will not to be reclassified subsequently to profit or loss (unaudited)	–	–	–	(803)	–	(803)
Other comprehensive income, that will be reclassified subsequently to profit or loss (unaudited)	–	–	–	11,771	–	11,771
Total comprehensive income for the period (unaudited)	–	–	–	10,968	86,573	97,541
Transfer of accumulated revaluation reserve resulting from disposal of equity instruments at fair value through other comprehensive income (unaudited)	–	–	–	–	803	803
Dividends declared (<i>Note 17</i>) (unaudited)	–	–	–	–	(49,034)	(49,034)
At 30 September 2023 (unaudited)	332,815	23,651	(3,465)	(12,918)	52,987	393,070

(millions of tenge)

1. General

Principal activities

These interim condensed consolidated financial statements include financial statements of ForteBank Joint Stock Company (hereinafter, the “Bank”) and its subsidiaries (hereinafter, the “Group”).

The Bank was formed in 1999 under the laws of the Republic of Kazakhstan. On 10 February 2015, the Bank was reregistered to ForteBank JSC (formerly, Alliance Bank JSC).

Legal address of the Bank’s head office: 010017, Republic of Kazakhstan, Astana, 8/1 Dostyk Street. The Bank’s activities are regulated by the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan (hereinafter, the “AFM”). The Bank operates under license No. 1.2.29/197/36 for conducting banking and other activities and operations on securities market stipulated by the banking legislation, issued by the AFM on 3 February 2020, which replaces previous licenses.

The Group’s primary business is related to commercial banking activities, granting of loans and guarantees, accepting deposits, exchanging foreign currencies, dealing with securities, transferring cash payments, as well as providing other banking services. As at 30 September 2024, some debt securities issued by the Bank are listed on the Luxembourg Stock Exchange, Kazakhstan Stock Exchange (hereinafter, the “KASE”) and Astana International Exchange (hereinafter, the “AIX”) (31 December 2023: Luxembourg Stock Exchange, KASE and AIX).

The Bank is a participant of the Kazakhstan Deposit Insurance Fund (hereinafter, the “KDIF”). The primary objective of the KDIF is to protect interests of depositors in the event of forced liquidation of the participant bank. As at 30 September 2024 and 31 December 2023, depositors can receive limited insurance coverage for deposits, depending on the currency and type of the deposit: in tenge – up to 10 million tenge, in foreign currencies – up to 5 million tenge, savings deposits in tenge - up to 20 million tenge.

As at 30 September 2024 and 31 December 2023, the Group includes the following subsidiaries:

<i>Name</i>	<i>Country of incorporation</i>	<i>Principal activity</i>	<i>Ownership, %</i>	
			<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
ForteLeasing JSC	Republic of Kazakhstan	Leasing operations	100.0	100.0
OUSA Alliance LLP	Republic of Kazakhstan	Management of doubtful and bad assets	100.0	100.0
OUSA-F LLP	Republic of Kazakhstan	Management of doubtful and bad assets	100.0	100.0
ONE Technologies LLP	Republic of Kazakhstan	Software development	100.0	100.0
ForteFinance JSC	Republic of Kazakhstan	Brokerage and dealer activities, investment portfolio management activities	100.0	100.0

Shareholders

As at 30 September 2024, Mr. B.Zh. Utemuratov is a beneficial owner of 90,91% of the outstanding ordinary shares of the Bank (including 0.2% in the form of outstanding global depository receipts) (31 December 2023: 81.82% including 0.2% in the form of outstanding global depository receipts) and is an ultimate controlling shareholder of the Group.

2. Basis of preparation

Statement of compliance with IAS 34 Interim Financial Reporting

The interim condensed consolidated financial statements for the nine-month period ended 30 September 2024 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2023.

The interim condensed consolidated financial statements are presented in millions of the Kazakhstan Tenge (“Tenge” or “KZT”), unless otherwise is stated.

(millions of tenge)

2. Basis of preparation (continued)

Basis of measurement

These interim condensed consolidated financial statements are prepared on the historical cost basis except for the investment securities measured at fair value through other comprehensive income and securities and other derivative financial instruments measured at fair value through profit or loss that are stated at fair value.

Functional and presentation currency

The functional currency of the Bank and its subsidiaries is the Kazakhstan Tenge as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of the Group's transactions and circumstances relevant to them affecting its activities. As at 30 September 2024, the official exchange rate used for translation of foreign currency balances was 481.19 tenge for 1 US dollar (31 December 2023: 454.56 tenge per 1 US dollar).

The Kazakhstan Tenge is also the presentation currency for the purposes of these interim condensed consolidated financial statements.

Financial information of the interim condensed consolidated financial statements is rounded to the nearest million.

Geopolitical events

As a result of the conflict between the Russian Federation and Ukraine many countries have imposed, and continue to impose, new sanctions on specified Russian entities and individuals. Sanctions have also been imposed on the Republic of Belarus.

Volatility in stock and currency markets, restrictions to imports and exports, availability of local materials and services and access to local resources, will directly impact entities that have significant operations or exposures with the Russian Federation, Republic of Belarus or Ukraine. However, the consequence of the current situation may directly or indirectly impact entities other than those with direct interests in the involved in conflict countries.

In order to manage country risk, the Group controls transactions with counterparties within the limits set by the collegiate body of the Group, which are reviewed on a regular basis.

Inflation and the current economic environment

The impact of the macroeconomic and geopolitical environment has exacerbated inflationary pressures in almost all economies around the world. High and rising energy prices are having a negative impact on the cost of other goods and services, resulting in significant consumer-price increases in many countries.

Prices of many commodities, including food, remain high. As at 30 September 2024, the annual inflation was 8.3% (2023: 9.8%).

As at 31 December 2023, the Monetary Policy Committee of the National Bank of Kazakhstan (hereinafter, the "NBRK") made a decision to reduce the base rate to 15.75% per annum with an interest band of +/-1 percentage points. As at 30 September 2024, the NBRK made a decision to reduce the base rate to 14.25% per annum with an interest band of +/-1 percentage points. On 29 November 2024 the NBRK made a decision to increase the base rate to 15.25% per annum with an interest rate collar of +/-1 percentage points.

The Group continues to assess the effect of these events and changing economic conditions on its activities.

Current inflationary pressures, macroeconomic and geopolitical uncertainty, including the impacts of the conflict in Ukraine affect the assumptions and estimation uncertainty associated with the measurement of assets and liabilities.

Changes in accounting policies

The accounting policies applied in these interim condensed consolidated financial statements are the same as those applied by the Group in the last annual consolidated financial statements, except for accounting for spot transactions for buying and selling foreign currencies.

The Group has switched from the settlement date accounting to the foreign exchange spot transaction settlement date accounting; these transactions are settled on the second day or within two business days after the transaction date; according to this method, the purchased asset is recognised at the settlement date (i.e. at the date when the asset is delivered to the Group), and the sold asset is derecognised and gain or loss on disposal of the asset and account receivable from the buyer are recognised at the settlement date (i.e. at the date when the asset is delivered by the Group).

The Group has not early adopted any new standard, interpretation or amendment that has been issued but is not yet effective.

Other amendments and interpretations are applied for the first time in 2024 but do not have any impact on the Group's interim condensed consolidated financial statements.

*(millions of tenge)***2. Basis of preparation (continued)****Changes in accounting policies (continued)**

A number of new standards and amendments to standards came into force on 1 January 2024 but they had no material effect on the Group's interim condensed consolidated financial statements:

- *Classification of Liabilities as Current or Non-current (Amendments to IAS 1 and IAS 8);*
- *Non-current Liabilities with Covenants (Amendments to IAS 1);*
- *Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).*

Reclassification

The following reclassifications were made in the consolidated statement of comprehensive income for the three-month period ended 30 September 2023 to conform to changes in presentation for the three-month period ended 30 September 2024:

<i>Consolidated Statement of Comprehensive Income</i>	<i>For the three-month period ended 30 September 2023</i>		
	<i>As previously reported</i>	<i>Effect of reclassification</i>	<i>As reclassified</i>
Net (loss)/gain on financial instruments at fair value through profit or loss	(499)	905	406
Net foreign exchange gain	7,085	(905)	6,180
Dealing transactions, net	7,470	564	8,034
Foreign exchange revaluation, net	(385)	(1,469)	(1,854)
	6,586	-	6,586

The following reclassifications were made in the consolidated statement of comprehensive income for the nine-month period ended 30 September 2023 to conform to changes in presentation for the nine-month period ended 30 September 2024:

<i>Consolidated Statement of Comprehensive Income</i>	<i>For the nine-month period ended 30 September 2023</i>		
	<i>As previously reported</i>	<i>Effect of reclassification</i>	<i>As reclassified</i>
Net (loss)/gain on financial instruments at fair value through profit or loss	(893)	905	12
Net foreign exchange gain	24,618	(905)	23,713
Dealing transactions, net	24,824	564	25,388
Foreign exchange revaluation, net	(206)	(1,469)	(1,675)
	23,725	-	23,725

The following reclassifications were made in the consolidated statement of cash flows for the nine-month period ended 30 September 2023 to conform to changes in presentation for the nine-month period ended 30 September 2024:

<i>Consolidated Statement of Cash Flows</i>	<i>For the nine-month period ended 30 September 2023</i>		
	<i>As previously reported</i>	<i>Effect of reclassification</i>	<i>As reclassified</i>
Cash flows from operating activities			
Net realised (loss)/income on financial instruments at fair value through profit or loss	(855)	905	50
Net realised foreign exchange gain	24,824	564	25,388
(Increase)/decrease in operating assets			
Other assets	12,472	(1,469)	11,003
	36,441	-	36,441
Net cash flows from operating activities	40,421	-	40,421

(millions of tenge)

3. Significant accounting judgements and estimates

Estimation uncertainty

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses reported in the interim condensed consolidated financial statements. Actual results may 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 estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, management has used its judgements and made estimates in determining the amounts recognised in the interim condensed consolidated financial statements. The judgements made in applying the accounting policies and the key sources of estimation uncertainty were similar to those described in the last annual consolidated financial statements, except for the changes disclosed below.

Forward-looking information and multiple economic scenarios

As at 30 September 2024, the Group uses the following forward-looking information in its ECL calculation models as economic inputs:

- GDP growth;
- USD/KZT rate;
- Oil price (Brent);
- Inflation.

The Group obtains the forward-looking information from third party sources (external rating agencies, governmental bodies e.g. NBRK and international credit institutions).

The indicators of key macroeconomic factors used in ECL calculations as at 30 September 2024 have not changed significantly compared to the macroeconomic factors the Group used in calculating ECL as of 31 December 2023.

The amount of the allowance for ECL for loans to customers recognised in the interim condensed consolidated statement of financial position as at 30 September 2024 was 85,613 million tenge (31 December 2023: 90,263 million tenge). More details are provided in *Note 12*.

4. Net interest income

Net interest income comprises the following:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income calculated using effective interest rate				
Loans to customers	82,026	63,449	228,645	174,438
Debt investment securities at FVOCI	31,970	18,579	75,753	53,585
Amounts due from credit institutions	17,143	5,280	59,796	16,602
Investment securities measured at amortised cost	4,318	4,288	12,847	12,902
Amounts receivable under reverse repurchase agreements	409	3,084	1,736	5,417
Other financial assets	287	430	899	1,068
	136,153	95,110	379,676	264,012
Other interest income				
Finance lease receivables	1,500	965	4,017	2,400
	137,653	96,075	383,693	266,412
Interest expense				
Current accounts and deposits of customers	(47,181)	(34,113)	(133,644)	(91,010)
Amounts payable under repurchase agreements	(12,191)	(2,328)	(31,500)	(10,873)
Debt securities issued	(8,675)	(7,871)	(24,733)	(23,085)
Amounts due to banks and other credit institutions	(1,375)	(885)	(3,791)	(2,631)
Subordinated debt	(284)	(284)	(852)	(852)
	(69,706)	(45,481)	(194,520)	(128,451)
Net interest income	67,947	50,594	189,173	137,961

*(millions of tenge)***4. Net interest income (continued)**

Interest income calculated using the effective interest rate for the nine-month period ended 30 September 2024 includes income of 9,374 million tenge and 19,651 million tenge representing the unwinding of discount on loans to customers and investment securities measured at FVOCI, respectively (for the nine-month period ended 30 September 2023: 7,983 million tenge and 13,176 million tenge, respectively).

Interest income received is as follows:

	<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest income received		
Loans to customers	215,747	167,445
Amounts due from credit institutions	62,458	16,602
Debt investment securities at FVOCI	59,442	59,159
Investment securities measured at amortised cost	11,609	11,558
Finance lease receivables	4,017	2,393
Amounts receivable under reverse repurchase agreements	1,736	5,417
	355,009	262,574

Interest expense paid comprise:

	<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Interest expenses paid		
Current accounts and deposits of customers	(134,992)	(91,172)
Amounts payable under repurchase agreements	(31,368)	(10,679)
Debt securities issued	(5,621)	(5,400)
Amounts due to banks and other credit institutions	(2,423)	(2,260)
Subordinated debt	(593)	(686)
	(174,997)	(110,197)

5. Net gain on financial instruments at fair value through profit or loss

Net gain/(loss) on financial instruments at fair value through profit or loss comprises:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Net gain/(loss) on change in fair value of trading securities	(11)	(44)	10	34
Net gain/(loss) on derivative financial instruments	915	450	5,270	(22)
	904	406	5,280	12

6. Net foreign exchange gain

Net foreign exchange gain comprises:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Dealing transactions, net	8,741	8,034	23,368	25,388
Foreign exchange revaluation, net	(2,056)	(1,854)	(6,444)	(1,675)
	6,685	6,180	16,924	23,713

*(millions of tenge)***7. Credit loss expenses**

Credit loss expenses comprise the following:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Loans to customers <i>(Note 12)</i>	(16,877)	(9,581)	(33,384)	(31,239)
Investment securities measured at FVOCI	183	19	(698)	(195)
Other financial assets	(142)	(551)	(363)	(1,286)
Investment securities measured at amortised cost	27	18	41	(3)
Amounts due from credit institutions	6	53	78	(69)
Financial guarantees, letters of credit and credit related commitments	5	16	1	16
Cash and cash equivalents	4	8	(1)	6
	(16,794)	(10,018)	(34,326)	(32,770)

8. General and administrative expenses

General and administrative expenses comprise:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Salary and related taxes	(11,733)	(10,873)	(36,046)	(31,153)
Depreciation and amortisation	(3,679)	(2,243)	(8,397)	(6,554)
Telecommunication and information services	(2,093)	(2,190)	(5,199)	(4,286)
Charity and sponsorship	(107)	(4,072)	(3,191)	(6,735)
Taxes other than corporate income tax	(1,391)	(879)	(2,862)	(2,317)
Advertising and marketing	(497)	(1,018)	(2,315)	(2,224)
Maintenance of buildings	(434)	(413)	(1,350)	(1,275)
Security	(274)	(242)	(821)	(755)
Repair and maintenance	(356)	(249)	(692)	(543)
Encashment	(221)	(143)	(632)	(420)
Other professional services	(169)	(162)	(499)	(497)
Transportation services	(147)	(120)	(478)	(388)
Business trips	(170)	(150)	(406)	(308)
Lease	(98)	(87)	(291)	(252)
Other	(74)	(205)	(265)	(840)
	(21,443)	(23,046)	(63,444)	(58,547)

During the nine-month period ended 30 September 2024 and 30 September 2023, the Group provided a sponsorship to Bulat Utemuratov Foundation Private Fund for construction of a school in the city of Essik (Almaty Region). The school with a total area of 12,5 thousand square meters has a 900 schoolchildren-capacity. The construction of the school was completed in September 2024.

9. Corporate income tax expense

Corporate income tax expense is as follows:

	<i>For the nine-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Current corporate income tax expenses	(2,650)	52	(8,598)	(736)
Deferred corporate income tax (expenses)/benefit – origination and decrease of temporary differences	(876)	(764)	(2,114)	1,281
	(3,526)	(712)	(10,712)	545

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim condensed consolidated financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

*(millions of tenge)***10. Cash and cash equivalents**

Cash comprises:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Cash on hand	69,459	68,036
Cash on current accounts with the NBRK	43,993	39,459
Cash on current accounts with other banks:		
- rated from A- to A+	38,988	43,716
- rated from BBB- to BBB+	3,174	2,384
- rated from BB- to BB+	111	238
- rated below B+	25	5
- not rated	13,143	6,894
Time deposits with the NBRK with contractual maturity of 90 days or less	609,649	355,798
Accounts receivable under reverse repurchase agreements with contractual maturity of 90 days and less	39,563	169,171
Time deposits with other banks rated at A- with contractual maturity 90 days or less	33,688	15,067
Time deposits with credit institutions not rated with contractual maturity 90 days or less	4,669	3,276
Cash and cash equivalents before allowance for ECL	856,462	704,044
Allowance for ECL	(4)	(2)
Cash and cash equivalents	856,458	704,042

The credit ratings are presented by reference to the credit ratings of Standard & Poor's credit rating agency or analogues of similar international agencies.

As at 30 September 2024, cash balances of 182 million tenge with no external rating assigned are allocated to Stage 2. As at 31 December 2023, cash balances of 3,240 million tenge with no external rating assigned and allowance for ECL of 1 million tenge are allocated to Stage 2. The remaining cash is allocated to Stage 1.

As at 30 September 2024, current account balances with other non-rated banks comprise mainly balances of 13,112 million tenge on current accounts with Russian banks and credit institutions that are not subject to sanctions (31 December 2023: 6,868 million tenge).

As at 30 September 2024, the Group entered into reverse repurchase agreements at the Kazakhstan Stock Exchange. The subject of these agreements are bonds of the Ministry of Finance of the Republic of Kazakhstan and NBRK notes, the fair value of which as at 30 September 2024 is 39,622 million tenge (31 December 2023: bonds of the Ministry of Finance of the Republic of Kazakhstan, Kazakhstan Sustainability Fund JSC (hereinafter, "KSF"), Eurasian Development Bank and Asian Development Bank, with fair value of 168,970 million tenge).

Minimum reserve requirements

In accordance with regulations issued by the NBRK, minimum reserve requirements are calculated as a percent of specified liabilities of second-tier banks. Banks are required to comply with these requirements by maintaining average reserve assets (local currency cash and NBRK balances) equal or in excess of the average minimum requirements. As at 30 September 2024, minimum reserve requirements of the Group amount to 52,557 million tenge (31 December 2023: 46,859 million tenge).

Concentration of cash and cash equivalents

As at 30 September 2024, the Group has accounts with one bank whose balances exceed 10% of total cash and cash equivalents (31 December 2023: one bank). The total balance on the accounts with the above counterparty as at 30 September 2024 amounts to 653,642 million tenge (31 December 2023: 395,257 million tenge).

*(millions of tenge)***11. Amounts due from credit institutions**

Amounts due from credit institutions comprise:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Current accounts with the NBRK restricted in use	14,339	9,696
Deposits with the NBRK with up to 90 days or more	–	70,846
Loans to other banks	6,040	–
Deposits with other banks:		
- not rated	659	636
Contingent deposits and deposits pledged as a collateral:		
- rated from AA- to AA+	12,493	11,387
- rated from A- to A+	4,341	114
- rated from BBB- to BBB+	366	159
- not rated	9,821	9,487
Amounts due from credit institutions before allowance for ECL	48,059	102,325
Allowance for ECL	(844)	(895)
Amounts due from credit institutions	47,215	101,430

The external credit ratings are presented by reference to the credit ratings of Standard & Poor's credit rating agency or analogues of similar international agencies.

Amounts on current accounts with the NBRK restricted in use include funds received by the Group as part of participation in the state program of lending businesses. As at 30 September 2024 and 31 December 2023, these funds include amounts allocated by Damu Entrepreneurship Development Fund JSC, Development Bank of Kazakhstan JSC, and Industrial Development Fund JSC in favour of the Group to support entrepreneurship and provide preferential loans to individuals for the purchase of domestically produced passenger vehicles.

As at 30 September 2024, loans to other banks include loans issued for a total amount of 15.5 million US dollars (30 September 2024: equivalent of 6,040 million tenge), maturing in 2024-2025 and bearing interest rates of 3.5%-7.56% per annum.

As at 30 September 2024 and 31 December 2023, all balances of amounts due from credit institutions are allocated to Stage 1 for ECL measurement purposes.

As at 30 September 2024, deposits with other banks with no external credit rating assigned primarily include KASE margin collateral in the amount of 9,766 million tenge (31 December 2023: 5,815 million tenge).

As at 30 September 2024 contingent deposits and deposits pledged as collateral include contingent deposits restricted for use on transactions with providers of payment system services in the amount of 16,368 million tenge (as at 31 December 2023: 14,976 million tenge).

As at 30 September 2024, the Group has amounts due from four credit institutions which individual balances exceed 10% of total due from credit institutions (31 December 2023: from two credit institutions). As at 30 September 2024, the total amount of such balances is 41,705 million tenge (31 December 2023: 91,902 million tenge).

*(millions of tenge)***12. Loans to customers**

Loans to customers comprise:

	<i>30 September 2024 (unaudited)</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Individually significant loans	683,301	2,497	843	850	687,491
Total individually significant loans	683,301	2,497	843	850	687,491
Individually insignificant loans					
Corporate loans	342,543	6,675	13,515	1,359	364,092
Consumer loans	413,315	25,253	50,693	1	489,262
Car loans	139,884	280	185	18	140,367
Credit cards	2,597	208	1,071	–	3,876
Mortgage loans	25,229	234	847	3,231	29,541
Other loans secured by collateral	30,126	751	8,647	5,704	45,228
Total individually insignificant loans	953,694	33,401	74,958	10,313	1,072,366
Loans to customers before allowance for ECL	1,636,995	35,898	75,801	11,163	1,759,857
Allowance for ECL	(19,313)	(12,090)	(51,196)	(3,014)	(85,613)
Loans to customers	1,617,682	23,808	24,605	8,149	1,674,244

	<i>31 December 2023</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Individually significant loans	573,686	1,177	6,252	2,398	583,513
Total individually significant loans	573,686	1,177	6,252	2,398	583,513
Individually insignificant loans					
Corporate loans	276,996	4,842	13,365	1,051	296,254
Consumer loans	417,254	17,248	41,869	1	476,372
Car loans	28,417	45	191	–	28,653
Credit cards	3,095	124	1,029	–	4,248
Mortgage loans	17,534	127	1,185	6,427	25,273
Other loans secured by collateral	29,294	711	11,722	11,723	53,450
Total individually insignificant loans	772,590	23,097	69,361	19,202	884,250
Loans to customers before allowance for ECL	1,346,276	24,274	75,613	21,600	1,467,763
Allowance for ECL	(20,199)	(8,952)	(51,434)	(9,678)	(90,263)
Loans to customers	1,326,077	15,322	24,179	11,922	1,377,500

The following table provides information on the credit quality of loans to legal entities as at 30 September 2024:

	<i>30 September 2024 (unaudited)</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to large corporate business (CB)					
Not overdue	518,068	–	843	–	518,911
Expected credit losses	(2,378)	–	–	–	(2,378)
Total loans to CB	515,690	–	843	–	516,533

Analysis of credit quality of loans to legal entities:

	<i>30 September 2024 (unaudited)</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to small and medium businesses (SMB)					
Not overdue	498,110	4,469	4,751	1,467	508,797
Overdue for less than 30 days	9,566	2,721	215	386	12,888
Overdue for 30 to 89 days	100	1,982	632	37	2,751
Overdue for 90 to 179 days	–	–	2,406	–	2,406
Overdue for 180 to 360 days	–	–	1,598	–	1,598
Overdue for more than 360 days	–	–	3,913	319	4,232
Expected credit losses	(4,003)	(1,044)	(5,312)	(753)	(11,112)
Total loans to SMB	503,773	8,128	8,203	1,456	521,560

*(millions of tenge)***12. Loans to customers (continued)****Analysis of credit quality of loans to individuals:**

The following table provides information on the credit quality of loans to individuals at 30 September 2024:

	<i>30 September 2024 (unaudited)</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Not overdue	609,677	1,085	6,304	7,378	624,444
Overdue for less than 30 days	1,474	12,154	1,170	388	15,186
Overdue for 30 to 89 days	–	13,486	1,196	146	14,828
Overdue for 90 to 179 days	–	–	14,192	99	14,291
Overdue for 180 to 360 days	–	–	20,760	250	21,010
Overdue for more than 360 days	–	1	17,821	693	18,515
Expected credit losses	(12,932)	(11,046)	(45,884)	(2,261)	(72,123)
Total loans to retail customers	598,219	15,680	15,559	6,693	636,151

The following table provides information on the credit quality of loans to legal entities at 31 December 2023:

	<i>31 December 2023</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to large corporate business (CB)					
Not overdue	424,905	437	5,304	82	430,728
Expected credit losses	(2,737)	(17)	–	–	(2,754)
Total loans to corporate customers	422,168	420	5,304	82	427,974

	<i>31 December 2023</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to small and medium businesses (SMB)					
Not overdue	423,998	3,307	3,238	1,955	432,498
Overdue for less than 30 days	1,779	610	76	–	2,465
Overdue for 30 to 89 days	–	1,662	619	–	2,281
Overdue for 90 to 179 days	–	3	1,161	–	1,164
Overdue for 180 to 360 days	–	–	2,264	1,383	3,647
Overdue for more than 360 days	–	–	6,955	29	6,984
Expected credit losses	(3,895)	(443)	(9,002)	(1,281)	(14,621)
Total loans to SMB	421,882	5,139	5,311	2,086	434,418

Analysis of credit quality of loans to individuals:

The following table provides information on the credit quality of loans to individuals at 31 December 2023:

	<i>31 December 2023</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Not overdue	490,066	289	6,098	7,918	504,371
Overdue for less than 30 days	5,501	7,977	863	647	14,988
Overdue for 30 to 89 days	27	9,669	1,089	371	11,156
Overdue for 90 to 179 days	–	320	10,735	342	11,397
Overdue for 180 to 360 days	–	–	16,553	331	16,884
Overdue for more than 360 days	–	–	20,658	8,542	29,200
Expected credit losses	(13,567)	(8,492)	(42,432)	(8,397)	(72,888)
Total loans to retail customers	482,027	9,763	13,564	9,754	515,108

*(millions of tenge)***12. Loans to customers (continued)****Analysis of credit quality for corporate customers**

The table below provides the credit quality analysis for corporate customers according to internal ratings as at 30 September 2024:

	<i>30 September 2024 (unaudited)</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
rated AA-	15,270	–	–	–	15,270
rated A+	4,607	–	–	–	4,607
rated A	62,713	–	–	–	62,713
rated A-	21,212	–	–	–	21,212
rated BBB+	30,121	–	–	–	30,121
rated BBB-	72,496	–	–	–	72,496
rated BBB	20,879	–	–	–	20,879
rated BB+	58,884	–	–	–	58,884
rated BB	99,080	–	–	–	99,080
rated BB-	123,429	–	–	–	123,429
rated B+	2,799	–	–	–	2,799
rated B	6,578	–	–	–	6,578
Default	–	–	843	–	843
Expected credit losses	(2,378)	–	–	–	(2,378)
Total loans to corporate customers	515,690	–	843	–	516,533

The table below provides the credit quality analysis for corporate customers according to internal ratings as at 31 December 2023:

	<i>31 December 2023</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
rated AAA	1,399	–	–	–	1,399
rated AA	18,823	–	–	–	18,823
rated A+	39,531	–	–	–	39,531
rated A	38,563	–	–	–	38,563
rated A-	6,579	–	–	–	6,579
rated BBB+	83,071	–	–	–	83,071
rated BBB-	16,977	–	–	–	16,977
rated BBB	12,395	–	–	–	12,395
rated BB+	44,699	–	–	–	44,699
rated BB	148,450	–	–	–	148,450
rated BB-	8,876	437	4,430	82	13,825
rated B	4,195	–	–	–	4,195
rated CCC-	1,347	–	–	–	1,347
Default	–	–	874	–	874
Expected credit losses	(2,737)	(17)	–	–	(2,754)
Total loans to corporate customers	422,168	420	5,304	82	427,974

*(millions of tenge)***12. Loans to customers (continued)****Analysis of credit quality for corporate customers (continued)***Analysis of movements in allowance for ECL*

An analysis of movements in the allowance for ECL for loans to legal entities of corporate business for the nine-month period ended 30 September 2024 is as follows:

	<i>For the nine-month period ended 30 September 2024</i>				
	<i>(unaudited)</i>				
<i>Loans to CB</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL as at 1 January	(2,737)	(17)	–	–	(2,754)
New assets originated or purchased	(1,963)	–	–	–	(1,963)
Assets derecognised or repaid (excluding write-offs)	2,353	17	791	–	3,161
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	54	–	–	–	54
Unwinding of discount	–	–	(15)	–	(15)
Reversal of previously written-off amounts	–	–	(791)	–	(791)
Write-off	–	–	15	–	15
Effect from changes in exchange rates	(85)	–	–	–	(85)
At 30 September	(2,378)	–	–	–	(2,378)

An analysis of movements in the allowance for ECL on loans to legal entities of small and medium businesses for the nine-month period ended 30 September 2024 is as follows:

	<i>For the nine-month period ended 30 September 2024</i>				
	<i>(unaudited)</i>				
<i>Loans to SMB</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL as at 1 January	(3,895)	(443)	(9,002)	(1,281)	(14,621)
New assets originated or purchased	(3,171)	–	–	–	(3,171)
Assets derecognised or repaid (excluding write-offs)	1,458	150	3,003	807	5,418
Transfers to Stage 1	(467)	59	408	–	–
Transfers to Stage 2	540	(554)	14	–	–
Transfers to Stage 3	529	181	(710)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	1,002	(439)	(999)	(891)	(1,327)
Unwinding of discount	–	–	(905)	–	(905)
Reversal of previously written-off amounts	–	–	(1,311)	(784)	(2,095)
Write-off	–	–	4,192	1,401	5,593
Effect from changes in exchange rates	1	2	(2)	(5)	(4)
At 30 September	(4,003)	(1,044)	(5,312)	(753)	(11,112)

*(millions of tenge)***12. Loans to customers (continued)****Analysis of credit quality for corporate customers (continued)***Analysis of movements in allowance for ECL (continued)*

An analysis of movements in the allowance for ECL on loans to individuals for the nine-month period ended 30 September 2024 is as follows:

	<i>For the nine-month period ended 30 September 2024 (unaudited)</i>				
<i>Loans to retail customers</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL as at 1 January	(13,567)	(8,492)	(42,432)	(8,397)	(72,888)
New assets originated or purchased	(10,821)	–	–	–	(10,821)
Assets derecognised or repaid (excluding write-offs)	4,982	773	3,609	1,219	10,583
Transfers to Stage 1	(1,749)	637	1,112	–	–
Transfers to Stage 2	2,641	(3,345)	704	–	–
Transfers to Stage 3	2,863	5,917	(8,807)	27	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	2,720	(6,534)	(26,484)	(5,020)	(35,318)
Unwinding of discount	–	–	(7,876)	–	(7,876)
Reversal of previously written-off amounts	–	–	(1,891)	(1,181)	(3,072)
Write-off	–	–	36,181	11,090	47,271
Effect from changes in exchange rates	(1)	(2)	–	1	(2)
At 30 September	(12,932)	(11,046)	(45,884)	(2,261)	(72,123)

An analysis of movements in the allowance for ECL on loans to legal entities for the nine-month period ended 30 September 2023 is as follows:

	<i>For the nine-month period ended 30 September 2023 (unaudited)</i>				
<i>Loans to CB</i>	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL as at 1 January	(3,929)	(2)	(581)	(49)	(4,561)
New assets originated or purchased	(1,952)	–	–	–	(1,952)
Assets derecognised or repaid (excluding write-offs)	2,920	2	1,615	–	4,537
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	975	–	(320)	–	655
Unwinding of discount	–	–	(76)	–	(76)
Reversal of previously written-off amounts	–	–	(1,503)	–	(1,503)
Write-off	–	–	240	–	240
Effect from changes in exchange rates	25	–	16	–	41
At 30 September	(1,961)	–	(609)	(49)	(2,619)

*(millions of tenge)***12. Loans to customers (continued)****Analysis of credit quality for corporate customers (continued)***Analysis of movements in allowance for ECL (continued)*

An analysis of movements in the allowance for ECL on loans to legal entities of small and medium businesses for the nine-month period ended 30 September 2023 is as follows:

	<i>For the nine-month period ended 30 September 2023</i> <i>(unaudited)</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to SMB					
ECL as at 1 January	(9,454)	(530)	(4,399)	(44)	(14,427)
New assets originated or purchased	(2,616)	–	–	–	(2,616)
Assets derecognised or repaid (excluding write-offs)	863	79	1,735	31	2,708
Transfers to Stage 1	(317)	267	50	–	–
Transfers to Stage 2	187	(187)	–	–	–
Transfers to Stage 3	599	38	(637)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	7,434	(54)	(5,095)	(111)	2,174
Unwinding of discount	–	–	(746)	–	(746)
Reversal of previously written-off amounts	–	–	(908)	(31)	(939)
Write-off	–	–	944	128	1,072
Effect from changes in exchange rates	–	–	11	–	11
At 30 September	(3,304)	(387)	(9,045)	(27)	(12,763)

An analysis of movements in the allowance for ECL on loans to individuals for the nine-month period ended 30 September 2023 is as follows:

	<i>For the nine-month period ended 30 September 2023</i> <i>(unaudited)</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to retail customers					
ECL as at 1 January	(8,658)	(6,269)	(29,397)	(1,754)	(46,078)
New assets originated or purchased	(12,295)	–	–	–	(12,295)
Assets derecognised or repaid (excluding write-offs)	3,265	685	5,469	315	9,734
Transfers to Stage 1	(1,275)	867	408	–	–
Transfers to Stage 2	2,919	(3,103)	184	–	–
Transfers to Stage 3	3,232	4,265	(7,497)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	319	(4,649)	(24,995)	(4,859)	(34,184)
Unwinding of discount	–	–	(6,017)	–	(6,017)
Reversal of previously written-off amounts	–	–	(4,258)	(292)	(4,550)
Write-off	–	–	8,418	2,874	11,292
Effect from changes in exchange rates	–	–	13	–	13
At 30 September	(12,493)	(8,204)	(57,672)	(3,716)	(82,085)

Key assumptions and judgements used in estimation of expected credit losses

In determining the allowance for expected credit losses, the Group made the following assumptions:

- Applying a liquidity ratio varying from 0 to 0.95 to the revalued value of pledged property depending on the type of collateral (31 December 2023: from 0 to 0.95).
- The average period of collateral sale is between three (3) and six (6) years depending on the type of collateral according to the Group's historical data (31 December 2023: between three (3) and six (6) years).
- Where evidence of a significant increase in credit risk or impairment/default exists for individual assets since the date of initial recognition, the Group estimates the expected credit losses for each customer/group based on probability-weighted estimates of credit losses for various scenarios taking into account operating cash flows and/or cash flows from the sale of collateral.

(millions of tenge)

12. Loans to customers (continued)

Key assumptions and judgements used in estimation of expected credit losses (continued)

In determining the allowance for ECL on loans to corporate customers, the Group made the following assumptions:

- PD on loans allocated to Stage 1 ranged from 0.01% to 10.49% depending on the borrower's internal rating according to the renewed rating model (31 December 2023: from 0.05% to 14.62%).
- LGD on loans allocated to Stage 1 ranged from 8% to 29% (31 December 2023: from 24% to 45%).

The Group estimates the allowance for ECL on loans to SMB customers based on its past historical loss experience on these types of loans.

The significant assumptions used by the Group in determining the allowance for ECL on loans, on a collective basis, include:

- The approach used to estimate the probability of default is based on the number of days past due, taking into account the effects of macroeconomic information; the weighted-average 12-month PD by product group allocated to Stage 1 ranged from 0.01% to 27.76 % (31 December 2023: from 0.01% to 19.83%), the weighted-average lifetime PD allocated to Stage 2 ranged from 0.01% to 96.89% depending on the product group of the homogeneous portfolio (31 December 2023: from 0.01% to 97.38%).
- LGD on loans allocated to Stage 1 varied from 3% to 44% (31 December 2023: from 3% to 56%), LGD on loans allocated to Stage 2 was from 3% to 44% (31 December 2023: from 11% to 54%).

The Group estimates the allowance for ECL on loans to retail customers based on its past historical loss experience on each type of loan.

The significant assumptions used by the Group in determining the allowance for ECL on loans to retail customers include:

- The approach used to estimate the probability of default is based on the number of days past due, taking into account the effects of macroeconomic information; the weighted-average 12-month PD by product group allocated to Stage 1 ranged from 0.01% to 22.81% (31 December 2023: from 0.01 to 28.22%), the weighted-average lifetime PD allocated to Stage 2 ranged from 0.01% to 98.23% depending on the product group of the homogeneous retail portfolio (31 December 2023: from 0.17% to 96.90%).
- LGD on loans allocated to Stages 1 and 2 varied from 24% to 84% (31 December 2023: from 32% to 91%).

Concentration of loans to customers

As at 30 September 2024, the Group had a concentration of loans represented by 417,599 million tenge due from the ten largest groups of interrelated borrowers or 23.73% of the gross loan portfolio (31 December 2023: 321,700 million tenge or 21.92% of the gross loan portfolio). Allowance for ECL on these loans is 1,978 million tenge (31 December 2023: 1,373 million tenge).

*(millions of tenge)***12. Loans to customers (continued)****Industry and geographical analysis of loans**

Loans were issued primarily to customers located within the Republic of Kazakhstan operating in the following economic sectors:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Loans to retail customers	708,274	587,996
Metallurgy	235,900	161,602
Wholesale trade	133,085	133,381
Services provided by small and medium businesses	118,981	96,162
Financial services	98,336	78,902
Retail services	69,643	61,733
Chemical industry	63,383	60,031
Construction	59,807	39,749
Real estate activities	53,563	47,078
Food industry	42,274	45,177
Transport	37,652	43,872
Agriculture	20,806	13,498
Postal delivery and communication services	18,006	12,315
Manufacturing	11,894	10,432
Textile production	10,327	7,117
Metal products manufacturing	5,414	5,194
Production of crude oil and natural gas	1,935	1,456
Other	70,577	62,068
	1,759,857	1,467,763
Allowance for ECL	(85,613)	(90,263)
	1,674,244	1,377,500

The following table shows the expected maturities of loans to customers as at 30 September 2024 and 31 December 2023:

	<i>Less than 1 year</i>	<i>More than 1 year</i>	<i>Overdue</i>	<i>Total</i>
Loans to customers				
30 September 2024 (unaudited)	793,406	871,940	8,898	1,674,244
31 December 2023	632,128	732,679	12,693	1,377,500

13. Investment securities

Investment securities comprise securities measured at amortised cost and securities measured at FVOCI:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Investment securities		
Debt investment securities measured at amortised cost	297,833	288,695
Investment securities measured at FVOCI	1,112,435	664,959
	1,410,268	953,654

*(millions of tenge)***13. Investment securities (continued)**

Investment securities measured at FVOCI including those pledged under repurchase agreements comprise:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Debt securities at FVOCI		
Government bonds		
Treasury bills of the United States of America rated AA+	14,566	13,610
Treasury bonds of the Ministry of Finance of the Republic of Kazakhstan rated BBB-	1,014,516	543,583
Total government bonds	1,029,082	557,193
Corporate bonds		
Rated from BBB- to BBB+	42,102	67,206
Rated from BB- to BB+	24,681	22,658
Rated from B- to B+	–	2,027
Total corporate bonds	66,783	91,891
Bonds of banks		
Rated from BBB- to BBB+	1,240	12,131
Rated from BB- to BB+	7,612	3,120
Not rated	7,360	285
Total bonds of banks	16,212	15,536
Investments in equity instruments		
Corporate shares	358	339
Total investments in equity instruments	358	339
Investment securities measured at FVOCI	1,112,435	664,959

The following table provides information on the credit quality of debt instruments measured at fair value through other comprehensive income as at 30 September 2024 and 31 December 2023.

Investment securities measured at FVOCI	30 September 2024 (unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Rated from AA- to AA+	14,566	–	–	14,566
Rated from BBB- to BBB+	1,057,858	–	–	1,057,858
Rated from BB- to BB+	14,002	18,291	–	32,293
Not rated	–	7,360	–	7,360
Investment securities measured at FVOCI	1,086,426	25,651	–	1,112,077
Investment securities measured at FVOCI	31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
Rated from AA- to AA+	13,610	–	–	13,610
Rated from BBB- to BBB+	622,920	–	–	622,920
Rated from BB- to BB+	8,961	16,817	–	25,778
Rated below B+	–	2,027	–	2,027
Not rated	–	285	–	285
Investment securities measured at FVOCI	645,491	19,129	–	664,620

The following table shows the contractual maturities of investment securities measured at FVOCI as at 30 September 2024 and 31 December 2023:

Investment securities measured at FVOCI	Less than 1 year	More than 1 year	Overdue	Total
30 September 2024 (unaudited)	341,830	770,605	–	1,112,435
31 December 2023	230,578	434,381	–	664,959

The credit ratings are presented by reference to the credit ratings of Standard & Poor's rating agency or analogues of similar international rating agencies.

*(millions of tenge)***13. Investment securities (continued)**

As at 30 September 2024, investment securities measured at FVOCI, represented by treasury bonds of the Ministry of Finance of the Republic of Kazakhstan with a total fair value of 426,168 million tenge, were pledged under the repurchase agreements entered into at the KASE.

As at 31 December 2023, investment securities measured at FVOCI, represented by treasury bonds of the Ministry of Finance of the Republic of Kazakhstan and Kazakhstan Sustainability Fund JSC, with a total fair value of 164,168 million tenge, were pledged under the repurchase agreements entered into at the KASE.

14. Current accounts and deposits from customers

Current accounts and deposits from customers comprise:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Current accounts and demand deposits		
- Retail	126,775	145,682
- Corporate	784,312	560,584
Term deposits		
- Retail	749,010	701,834
- Corporate	937,940	747,627
Guarantee deposits		
- Retail	37,643	34,721
- Corporate	95,803	70,575
	<u>2,731,483</u>	<u>2,261,023</u>
Held as security against letters of credit and guarantees (Note 20)	<u>(801)</u>	<u>(452)</u>

Concentration of current accounts and deposits from customers

As at 30 September 2024, total amount of account balances of top 10 clients amounted to 545,523 million tenge or 19.97% of total current accounts and deposits from customers (31 December 2023: 277,877 million tenge or 12.29%).

As at 30 September 2024, the Group's outstanding balance of accounts and deposits of individuals and individual entrepreneurs amounted to 371,934 million tenge (31 December 2023: 363,224 million tenge) with limited KDIF insurance coverage on behalf of the Government of the Republic of Kazakhstan.

In accordance with the Civil Code of the Republic of Kazakhstan, the Group is obliged to repay the deposit upon demand of a depositor. In case a term deposit is repaid upon demand of the depositor prior to maturity, interest is not paid or paid at considerably lower interest rate, depending on the terms specified in the agreement. The Group is obligated to repay term and/or conditional deposits or a part thereof within seven calendar days from the date of receipt of the depositor's demand on repayment, and saving deposits – within thirty calendar days from the date of the depositor's demand.

15. Amounts due to banks and other credit institutions

Amounts due to banks and other credit institutions comprise:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Loans from governmental organisations	67,948	54,549
Liabilities due to Kazakhstan Sustainability Fund JSC	14,414	13,835
	<u>82,362</u>	<u>68,384</u>

As at 30 September 2024, loans from governmental organisations included loans received from Damu Entrepreneurship Development Fund JSC, Development Bank of Kazakhstan JSC and Industrial Development Fund JSC in the amount of 46,946 million tenge, 10,924 million tenge and 10,058 million tenge, respectively (31 December 2023: Damu Entrepreneurship Development Fund JSC, Development Bank of Kazakhstan JSC and Industrial Development Fund JSC in the amount of 41,064 million tenge, 7,705 million tenge and 5,748 million tenge, respectively), within the framework of the state programme to support small and medium-sized businesses by the banking sector, as well as the state programme of concessional lending to individuals to purchase passenger vehicles of a domestic manufacturer.

*(millions of tenge)***15. Amounts due to banks and other credit institutions (continued)**

The loan received from Industrial Development Fund JSC in May 2022, with maturity at the end of 2052, in the amount of 15,000 million tenge was recognised at fair value, at a market rate of 14.12% per annum. In March 2024, the Group and Industrial Development Fund JSC revised the terms of the said loan, including by setting a new maturity date until mid-2030. The revision of the loan terms resulted in a substantial modification of the financial liability, which was accounted for as the extinguishment of the original financial liability and recognition of a new financial liability which was recognised at fair value using a market rate of 16.62% per annum. As a result of the substantial modification of the loan terms, the Group recognised a loss of 3,593 million tenge, inclusive of derecognition of a deferred liability in the form of a government grant, in the interim condensed consolidated statement of comprehensive income.

During the nine-month period ended 30 September 2024, the Group and Development Bank of Kazakhstan JSC have concluded agreements for raising additional loans in the amount of 9,000 million tenge, bearing a nominal interest rate of 2.0% per annum, as part of the government programme to support small and medium-sized businesses by the banking sector. The loans were recognised at fair value, using the market rate of 16.90% per annum. As a result, the Group recognised a discount on these loans in the amount of 6,462 million tenge and deferred income on the government grant in the same amount, in other liabilities.

The Group had no defaults and other breaches of repayment schedules and the terms of raising funds from banks and other credit institutions, related to principal and interest on the principal amount outstanding, as at 30 September 2024 and 31 December 2023.

16. Amounts payable under repurchase agreements

As at 30 September 2024, the Group has payables under repurchase agreements in the amount of 424,591 million tenge, which are collateralized by investment securities with a total fair value of 426,168 million tenge (treasury bonds of the Ministry of Finance of the Republic of Kazakhstan) *(Note 13)*.

As at 31 December 2023, the Group has payables under repurchase agreements in the amount of 163,523 million tenge, which are collateralized by investment securities with a total fair value of 164,168 million tenge (treasury bonds of the Ministry of Finance of the Republic of Kazakhstan, and KSF) *(Note 13)*.

17. Share capital

The number of authorised, placed and outstanding ordinary shares and share capital as at 30 September 2024 and 31 December 2023 are as follows:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Ordinary shares		
Number of authorised shares	150,003,000,000	150,003,000,000
Number of issued shares	92,387,104,089	92,387,104,089
Number of repurchased shares	(1,934,434,197)	(1,934,434,197)
Number of outstanding shares	90,452,669,892	90,452,669,892
Total share capital, millions of tenge	329,350	329,350

In accordance with the resolution of the shareholders dated 17 April 2024, the Bank declared dividends on ordinary shares for the year ended 31 December 2023, in the amount of 58,215 million tenge, at the rate of 0.6436 tenge per ordinary share. As at 30 September 2024, the Bank paid dividends in the amount of 58,214 million tenge. In accordance with the resolution of shareholders dated 2 May 2023, the Bank declared and paid dividends on ordinary shares for the year ended 31 December 2022, in the amount of 49,034 million tenge, at the rate of 0.5421 tenge per ordinary share.

18. Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations.

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024 (unaudited)</i>	<i>2023 (unaudited)</i>	<i>2024 (unaudited)</i>	<i>2023 (unaudited)</i>
Net profit attributable to shareholders of the Bank	37,857	29,227	112,622	86,573
A weighted-average number of ordinary shares	90,452,669,892	90,452,669,892	90,452,669,892	90,452,669,892
Basic and diluted earnings per ordinary share, in tenge	0.42	0.32	1.25	0.96

As at 30 September 2024 and 30 September 2023, the Bank had no financial instruments diluting earnings per share.

(millions of tenge)

19. Capital management

The Bank maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Bank's capital is monitored using, among other measures, the ratios established by the NBRK in supervising the Bank.

As at 30 September 2024 and 31 December 2023, the Bank had complied in full with all externally imposed capital requirements.

The primary objectives of the Bank's capital management are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders' value.

The Bank manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities.

The NBRK sets and monitors capital requirements for the Bank.

In accordance with the requirements set by the NBRK, and effective from 1 January 2024, banks have to maintain:

- a ratio of core capital to the sum of credit risk weighted assets and contingent liabilities, market risk and a quantitative measure of operating risk weighted assets and contingent liabilities (k1) of not less than 8%;
- a ratio of tier 1 capital less investments to the sum of credit risk-weighted assets and contingent liabilities, market risk and a quantitative measure of operational risk weighted assets, contingent assets and liabilities (k1-2) of not less than 9%;
- a ratio of own capital to the sum of credit risk weighted assets and contingent liabilities, market risk and a quantitative measure of operating risk weighted assets and contingent liabilities (k2) of not less than 10.5%.

Investments for the purposes of calculation of the above ratios represent investments into share capital (participation in the charter capital) of a legal entity and subordinated debt of a legal entity if their total exceeds 10% of the total of tier 1 and tier 2 capital of the Bank.

The following table shows the composition of the Bank's capital position calculated in accordance with the NBRK requirements as at 30 September 2024 and 31 December 2023:

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Tier 1 capital	472,209	406,750
Tier 2 capital	6,259	8,145
Total regulatory capital	478,468	414,895
Total risk-weighted statutory assets, contingent liabilities and operational and market risk	2,203,333	1,953,598
k1 ratio	21.4%	20.8%
k1-2 ratio	21.4%	20.8%
k2 ratio	21.7%	21.2%

20. Commitments and contingencies

Political and economic environment

The Republic of Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

Management of the Group believes that it is taking appropriate measures to support the sustainability of the Group's business in the current circumstances.

Credit related commitments

The Group has contingent liabilities to provide credit resources. These credit related contingencies take the form of approved loan and credit card limits and overdraft facilities.

*(millions of tenge)***20. Commitments and contingencies (continued)****Credit related commitments (continued)**

The Group provides bank guarantees and issues letters of credit to ensure that their customers' obligations to third parties are met. These agreements have fixed limits and generally extend for a period of up to five years. In providing financial guarantees, credit related commitments and letters of credit, the Group applies the same risk management policies and procedures used when issuing loans to customers.

The contractual amounts of credit related commitments are set out in the following table by category.

	<i>30 September 2024 (unaudited)</i>	<i>31 December 2023</i>
Undrawn loan commitments	508,711	503,298
Guarantees issued	159,592	105,329
Letters of credit	1,151	1,745
	669,454	610,372
Less: amounts due to customers held as security against letters of credit and guarantees (<i>Note 14</i>)	(801)	(452)
Less: allowance for expected credit losses	(1,889)	(1,092)
	666,764	608,828

The loan commitment agreements stipulate the right of the Group to unilaterally withdraw from the agreement should any conditions unfavourable to the Group arise, including deterioration of the borrower's financial condition, change of the refinance rate, inflation, exchange rates and other conditions.

The total outstanding contractual amount of commitments on issuance of loans, letters of credit and guarantees does not necessarily represent future cash requirements, as these commitments may expire or terminate without being funded.

Legal proceedings

In the ordinary course of business, the Group is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints, will not have a material adverse effect on the Group's operations and financial position.

Management is unaware of any significant, pending or threatened claims against the Group.

Contingent tax liabilities

The taxation system in the Republic of Kazakhstan is relatively new and is characterised 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 various levels of authorities, which have the authority to impose severe fines and interest charges. The adequacy of tax assessment in the reporting period may be reviewed during the next five calendar years. However, under certain circumstances a tax year may remain open for a longer period of time.

These circumstances may create tax risks in the Republic of Kazakhstan that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities in these interim condensed consolidated financial statements based on its interpretations of applicable Kazakhstan tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these interim condensed consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

21. Related party transactions**Remuneration of the members of the Board of Directors and Management Board**

Total remuneration to 12 members of the Management Board and Board of Directors included in general and administrative expenses for the nine-month periods ended 30 September 2024 and 2023 is as follows:

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2024 (unaudited)</i>	<i>2023 (unaudited)</i>	<i>2024 (unaudited)</i>	<i>2023 (unaudited)</i>
Members of the Board of Directors and Management Board	654	1,202	2,536	3,569
	654	1,202	2,536	3,569

*(millions of tenge)***21. Related party transactions (continued)****Remuneration of the members of the Board of Directors and Management Board (continued)**

These amounts include cash remuneration of the members of the Board of Directors and Management Board and related taxes.

As at 30 September 2024, the total amount of the Group's liabilities to pay remuneration to the members of the Board of Directors and Management Board amounted to 3,250 million tenge (31 December 2023: 3,752 million tenge).

Other related party transactions

Other related parties include key management personnel and entities jointly controlled by key management personnel. The outstanding balances and related average effective interest rates as at 30 September 2024 and related profit or loss amounts of transactions for the nine-month period ended 30 September 2024 with related parties are as follows:

	30 September 2024 (unaudited)						
	Entities under common						Total
	Shareholders	control		Other related parties			
<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>	
Assets							
Loans to customers	–	–	–	–	15,915	18%	15,915
Other assets	–	–	32	–	108	–	140
Liabilities							
Current accounts and deposits from customers	1,490	1%	34,056	11%	71,638	12%	107,184
Other liabilities	–	–	42	–	99	–	141
Credit related commitments	–	–	–	–	1	–	1
Guarantees issued	–	–	–	–	112	–	112
For the three-month period ended 30 September 2024 (unaudited)							
	Entities under						Total
	Shareholders	common control		Other related parties			
Income/(expenses)							
Interest income			–	–	704		704
Interest expense			(13)	(927)	(1,367)		(2,307)
General and administrative expenses			–	(41)	(135)		(176)
Fee and commission income			2	15	26		43
Fee and commission expense			–	1	–		1
Other income			–	–	205		205
Other expenses			–	–	(133)		(133)
For the nine-month period ended 30 September 2024 (unaudited)							
	Entities under						Total
	Shareholders	common control		Other related parties			
Income/(expenses)							
Interest income			–	–	1,994		1,994
Interest expense			(64)	(2,135)	(2,310)		(4,509)
General and administrative expenses			–	(2,993)	(375)		(3,368)
Fee and commission income			5	51	68		124
Fee and commission expense			–	(3)	–		(3)
Other income			–	–	569		569
Other expenses			–	–	(378)		(378)

*(millions of tenge)***21. Related party transactions (continued)****Other related party transactions (continued)**

The outstanding balances and related average effective interest rates as at 31 December 2023 and related profit or loss amounts of transactions for the nine-month period ended 30 September 2023 with related parties are as follows:

	31 December 2023						
	Shareholders		Entities under common control		Other related parties		Total
	<i>Average effective interest rate, (%)</i>	<i>Average effective interest rate, (%)</i>	<i>Average effective interest rate, (%)</i>	<i>Average effective interest rate, (%)</i>	<i>Average effective interest rate, (%)</i>	<i>Average effective interest rate, (%)</i>	
	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>
Assets							
Loans to customers	–	–	–	–	14,870	14%	14,870
Other assets	–	–	83	–	93	–	176
Liabilities							
Current accounts and deposits from customers	5,792	1%	49,917	9%	15,844	5%	71,553
Other liabilities	–	–	69	–	86	–	155
Credit related commitments	–	–	–	–	27,950	–	27,950
Guarantees issued	–	–	–	–	188	–	188

For the three-month period ended 30 September 2023 (unaudited)

	Entities under common control			Other related parties	Total
	Shareholders	Shareholders	Shareholders		
Income/(expenses)					
Interest income	–	–	–	269	269
Interest expense	(9)	(394)	(394)	(404)	(807)
General and administrative expenses	–	(4,095)	(4,095)	(157)	(4,252)
Fee and commission income	–	–	–	–	–
Fee and commission expense	–	40	40	–	40
Other income	–	–	–	315	315
Other expenses	–	–	–	(90)	(90)

For the nine-month period ended 30 September 2023 (unaudited)

	Entities under common control			Other related parties	Total
	Shareholders	Shareholders	Shareholders		
Income/(expenses)					
Interest income	–	–	–	992	992
Interest expense	(87)	(1,340)	(1,340)	(862)	(2,289)
General and administrative expenses	–	(6,772)	(6,772)	(423)	(7,195)
Fee and commission income	–	3	3	2	5
Fee and commission expense	–	(190)	(190)	–	(190)
Other income	–	–	–	315	315
Other expenses	–	(34)	(34)	(204)	(238)

22. Segment reporting

The Group has five reporting segments and business lines (“Other” segment is indicated separately with description of transactions, which are not related to activities of business lines). These segments/business lines offer a variety of products and services in the financial/banking area. The following is a brief description of transactions of each segment.

- Corporate business (CB) includes issuance of loans, attracting deposits, settlement and cash services, transactions on guarantees and other transactions with corporate clients (large entities and individual entrepreneurs);
- Small and medium businesses (SMB) include extension of loans, deposit sourcing, settlement and cash services, transactions on guarantees and other transactions with small and medium business clients (legal entities (LE) and individual entrepreneurs (IE));

*(millions of tenge)***22 Segment reporting (continued)**

- Retail banking (RB) includes extension of loans, deposit sourcing, settlement and cash services, exchange transactions and other transactions with retail clients (individuals);
- Investing activities are responsible for financing the Group's operations (repo operations, raising funds from banks and credit institutions, issuance of bonds, subordinated debt), securities transactions, use of derivative financial instruments and foreign currency transactions;
- Other includes other transactions with debtors/creditors on non-core activities, fixed assets, amounts on transit accounts and other transactions that are not related to segments/business lines (CB, SMB, RB, Investing activities).

Information regarding the results of each reportable segment is included below. Performance results of segment/business line are evaluated on the basis of derived profit, which includes the effective management of a portfolio of borrowed and placed funds. Profit from segment/business line is used to measure performance. Pricing is performed on the basis of borrowing/ placement rates approved by the authorised body of the Group.

	<i>30 September 2024 (unaudited)</i>					
	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Total</i>
Assets						
Cash and cash equivalents	890	25,357	39,757	686,033	104,421	856,458
Amounts due to financial organisations	10,106	3,398	402	32,876	433	47,215
Securities measured at fair value through profit or loss	–	–	–	2,868	–	2,868
Loans to customers	515,590	497,159	632,464	–	29,031	1,674,244
Investment securities	–	–	–	1,410,268	–	1,410,268
Property, plant and equipment	–	–	–	–	54,617	54,617
Intangible assets	–	–	–	–	15,385	15,385
Other assets	51	667	298	53	38,814	39,883
Total assets	526,637	526,581	672,921	2,132,098	242,701	4,100,938
Liabilities						
Current accounts and deposits from customers	958,502	855,716	917,217	–	48	2,731,483
Amounts due to banks and other financial institutions	17,225	39,346	14,083	187	11,521	82,362
Amounts payable under repurchase agreements	–	–	–	424,591	–	424,591
Debt securities issued	–	–	15,681	272,593	–	288,274
Deferred tax liabilities	–	–	–	–	15,011	15,011
Subordinated debt	–	–	–	14,647	–	14,647
Other liabilities	64	358	7,150	11	38,838	46,421
Total liabilities	975,791	895,420	954,131	712,029	65,418	3,602,789
Equity						
Share capital	–	–	–	–	332,815	332,815
Additional paid-in capital	–	–	–	–	23,651	23,651
Treasury shares	–	–	–	–	(3,465)	(3,465)
Fair value reserve	–	–	–	–	7,890	7,890
Retained earnings	–	–	–	–	137,258	137,258
Total equity attributable to shareholders of the Group	–	–	–	–	498,149	498,149

*(millions of tenge)***22. Segment reporting (continued)**

	<i>31 December 2023</i>					
	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Total</i>
Assets						
Cash and cash equivalents	302	19,345	45,985	540,041	98,369	704,042
Amounts due to financial institutions	3,588	3,238	337	91,734	2,533	101,430
Securities measured at fair value through profit or loss	–	–	–	3,016	–	3,016
Loans to customers	423,696	416,983	510,484	–	26,337	1,377,500
Investment securities	–	–	–	953,654	–	953,654
Property, plant and equipment	–	–	–	–	56,665	56,665
Intangible assets	–	–	–	–	13,867	13,867
Other assets	66	461	959	81	41,434	43,001
Total assets	427,652	440,027	557,765	1,588,526	239,205	3,253,175
Liabilities						
Current accounts and deposits from customers	691,613	683,011	886,366	–	33	2,261,023
Amounts due to banks and other financial institutions	11,452	32,229	13,432	55	11,216	68,384
Amounts payable under repurchase agreements	–	–	–	163,523	–	163,523
Debt securities issued	–	–	14,480	252,770	–	267,250
Subordinated debt	–	–	–	14,389	–	14,389
Deferred tax liabilities	–	–	–	–	12,732	12,732
Other liabilities	15	220	10,344	9	25,478	36,066
Total liabilities	703,080	715,460	924,622	430,746	49,459	2,823,367
Equity						
Share capital	–	–	–	–	332,815	332,815
Additional paid-in capital	–	–	–	–	23,651	23,651
Treasury shares	–	–	–	–	(3,465)	(3,465)
Fair value reserve	–	–	–	–	(6,044)	(6,044)
Retained earnings	–	–	–	–	82,851	82,851
Total equity attributable to shareholders of the Group	–	–	–	–	429,808	429,808

*(millions of tenge)***22. Segment reporting (continued)**

Information on the main reporting segments for the three- and nine month periods ended 30 September 2024 and 30 September 2023 is presented as follows:

	<i>For the three-month period ended 30 September 2024 (unaudited)</i>						
	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Elimina- tion</i>	<i>Total</i>
Interest income	16,690	23,003	41,924	53,671	2,365	–	137,653
Transfer income	22,068	21,988	24,537	24,253	(863)	(91,983)	–
Interest expense	(17,452)	(11,923)	(18,874)	(20,988)	(469)	–	(69,706)
Transfer expense	(10,715)	(13,936)	(18,406)	(54,070)	(84)	97,211	–
Net interest income	10,591	19,132	29,181	2,866	949	5,228	67,947
Fee and commission income	629	5,808	2,769	77	35	–	9,318
Fee and commission expense	(186)	(1,337)	(1,804)	(90)	(3)	–	(3,420)
Net gains from financial instruments at fair value through profit or loss	–	–	–	904	–	–	904
Net gains on derecognition of investment securities at fair value through other comprehensive income	–	–	–	133	–	–	133
Net gains/(loss) on foreign currencies	3,279	4,136	1,045	(1,886)	111	–	6,685
Dividends received	–	–	–	2	–	–	2
Other income/(expense)	(276)	102	119	11	608	–	564
Non-interest income	3,446	8,709	2,129	(849)	751	–	14,186
Reversal of allowance for expected credit losses/ (expenses on ECL)	(345)	1,377	(14,574)	211	(3,463)	–	(16,794)
Net loss on derecognition of financial assets measured at amortised cost	–	–	(197)	–	(23)	–	(220)
General and administrative expenses	(1,038)	(5,880)	(11,268)	(297)	(2,960)	–	(21,443)
Other income/(expense)	28	(346)	(713)	(49)	(1,213)	–	(2,293)
Non-interest expense	(1,355)	(4,849)	(26,752)	(135)	(7,659)	–	(40,750)
Other transfer income and expenses	160	(717)	(219)	10,405	(4,401)	(5,228)	–
Profit/(loss) before corporate income tax	12,842	22,275	4,339	12,287	(10,360)	–	41,383
Corporate income tax expense	(658)	(1,141)	(222)	(629)	(876)	–	(3,526)
Profit/(loss) for the period	12,184	21,134	4,117	11,658	(11,236)	–	37,857

*(millions of tenge)***22. Segment reporting (continued)**

*For the nine-month period ended 30 September 2024
(unaudited)*

	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Elimina- tion</i>	<i>Total</i>
Interest income	47,689	63,490	116,284	149,531	6,699	–	383,693
Transfer income	62,773	59,714	71,569	57,843	6,483	(258,382)	–
Interest expense	(50,485)	(31,588)	(54,340)	(56,760)	(1,347)	–	(194,520)
Transfer expense	(31,594)	(38,977)	(49,730)	(149,745)	(340)	270,386	–
Net interest income	28,383	52,639	83,783	869	11,495	12,004	189,173
Fee and commission income	1,789	15,788	8,354	118	98	–	26,147
Fee and commission expense	(515)	(4,021)	(5,141)	(252)	(12)	–	(9,941)
Net gains from financial instruments at fair value through profit or loss	–	–	–	5,280	–	–	5,280
Net gains on derecognition of investment securities at fair value through other comprehensive income	–	–	–	231	–	–	231
Net gains/(loss) on foreign currencies	6,683	11,502	4,388	(5,770)	121	–	16,924
Dividends received	–	–	–	496	–	–	496
Other income	25	1,049	39	28	1,534	–	2,675
Non-interest income	7,982	24,318	7,640	131	1,741	–	41,812
Reversal of allowance for expected credit losses/ (expenses on ECL)	811	(1,063)	(32,261)	(625)	(1,188)	–	(34,326)
Net loss on derecognition of financial assets measured at amortised cost	–	–	(321)	–	(445)	–	(766)
Net loss on modification liabilities that does not result in derecognition	–	–	(3,593)	–	–	–	(3,593)
General and administrative expenses	(3,492)	(17,837)	(30,532)	(1,165)	(10,418)	–	(63,444)
Other expenses	(24)	(817)	(2,161)	(123)	(2,397)	–	(5,522)
Non-interest expense	(2,705)	(19,717)	(68,868)	(1,913)	(14,448)	–	(107,651)
Other transfer income and expenses	458	(2,172)	(511)	26,636	(12,407)	(12,004)	–
Profit/(loss) before corporate income tax	34,118	55,068	22,044	25,723	(13,619)	–	123,334
Corporate income tax expense	(2,142)	(3,457)	(1,384)	(1,615)	(2,114)	–	(10,712)
Profit/(loss) for the period	31,976	51,611	20,660	24,108	(15,733)	–	112,622

*(millions of tenge)***22. Segment reporting (continued)**

*For the three-month period ended 30 September 2023
(unaudited)*

	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Elimina- tion</i>	<i>Total</i>
Interest income	10,892	16,735	34,813	31,018	2,617	–	96,075
Transfer income	18,596	15,844	19,224	8,937	3,989	(66,590)	–
Interest expense	(14,219)	(6,752)	(13,675)	(10,434)	(401)	–	(45,481)
Transfer expense	(7,761)	(10,501)	(13,966)	(31,860)	(352)	64,440	–
Net interest income	7,508	15,326	26,396	(2,339)	5,853	(2,150)	50,594
Fee and commission income	533	5,124	3,552	8	70	–	9,287
Fee and commission expense	(145)	(1,552)	(1,232)	(36)	5	–	(2,960)
Net gains from financial instruments measured at fair value through profit or loss	–	–	–	406	–	–	406
Net loss on derecognition of investment securities measured at fair value through other comprehensive income	–	–	–	(158)	–	–	(158)
Net gains/(loss) on foreign currencies	2,572	3,838	859	(1,321)	232	–	6,180
Other (expenses)/income	(184)	122	(89)	1,551	1,282	–	2,682
Non-interest income	2,776	7,532	3,090	450	1,589	–	15,437
Credit loss expenses/reversal of allowance for expected credit losses	(260)	1,698	(7,484)	82	(4,054)	–	(10,018)
Net income/(loss) on derecognition of financial assets measured at amortised cost:	–	–	(1,844)	–	162	–	(1,682)
General and administrative expenses	(1,220)	(5,570)	(9,669)	(237)	(6,350)	–	(23,046)
Other expenses	(6)	(104)	(937)	–	(299)	–	(1,346)
Non-interest expense	(1,486)	(3,976)	(19,934)	(155)	(10,541)	–	(36,092)
Other transfer income and expenses	90	(822)	(237)	3,316	(4,497)	2,150	–
Profit/(loss) before corporate income tax	8,888	18,060	9,315	1,272	(7,596)	–	29,939
(Corporate income tax expense)/corporate income tax benefit	(198)	(439)	(79)	4	–	–	(712)
Profit/(loss) for the period	8,690	17,621	9,236	1,276	(7,596)	–	29,227

*(millions of tenge)***22. Segment reporting (continued)**

*For the nine-month period ended 30 September 2023
(unaudited)*

	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Elimina- tion</i>	<i>Total</i>
Interest income	32,244	45,639	94,745	87,873	5,911	–	266,412
Transfer income	50,238	46,196	51,726	32,390	12,202	(192,752)	–
Interest expense	(37,316)	(18,810)	(36,594)	(34,592)	(1,139)	–	(128,451)
Transfer expense	(23,125)	(29,068)	(38,022)	(87,665)	(1,171)	179,051	–
Net interest income	22,041	43,957	71,855	(1,994)	15,803	(13,701)	137,961
Fee and commission income	1,915	14,987	9,616	24	133	–	26,675
Fee and commission expense	(813)	(4,341)	(4,621)	(121)	(10)	–	(9,906)
Net gains from financial instruments measured at fair value through profit or loss	–	–	–	12	–	–	12
Net loss on derecognition of investment securities measured at fair value through other comprehensive income	–	–	–	(36)	–	–	(36)
Net foreign exchange gain	6,076	12,771	3,314	836	716	–	23,713
Dividends received	–	–	–	302	–	–	302
Other income/(expense)	(447)	465	(539)	1,548	5,155	–	6,182
Non-interest income	6,731	23,882	7,770	2,565	5,994	–	46,942
Credit loss expenses/reversal of allowance for expected credit losses	(744)	2,394	(31,050)	(294)	(3,076)	–	(32,770)
Net loss on derecognition of financial assets measured at amortised cost	–	–	(2,047)	–	(1,311)	–	(3,358)
General and administrative expenses	(3,379)	(15,114)	(25,350)	(1,821)	(12,883)	–	(58,547)
Other expenses	(11)	(202)	(2,746)	(45)	(1,196)	–	(4,200)
Non-interest expense	(4,134)	(12,922)	(61,193)	(2,160)	(18,466)	–	(98,875)
Other transfer income and expenses	339	(1,847)	(637)	2,294	(13,850)	13,701	–
Profit/(loss) before corporate income tax benefit	24,977	53,070	17,795	705	(10,519)	–	86,028
Corporate income tax benefit	141	300	100	4	–	–	545
Profit/(loss) for the period	25,118	53,370	17,895	709	(10,519)	–	86,573

*(millions of tenge)***23. Fair value of financial instruments****Accounting classifications and fair values**

The table below sets out the carrying amounts and fair values of financial assets and financial liabilities as at 30 September 2024:

	<i>30 September 2024 (unaudited)</i>				
	<i>Assets and liabilities measured at fair value</i>	<i>Assets and liabilities whose fair value is disclosed</i>	<i>Total carrying amount</i>	<i>Fair value</i>	<i>Unrecognised income/ (loss)</i>
Cash and cash equivalents	–	856,458	856,458	856,458	–
Amounts due to financial institutions	–	47,215	47,215	47,215	–
Securities measured at fair value through profit or loss	2,868	–	2,868	2,868	–
Loans to customers	–	1,674,244	1,674,244	1,680,124	5,880
Investment securities measured at FVOCI	1,112,435	–	1,112,435	1,112,435	–
Investment securities measured at amortised cost	–	297,833	297,833	296,094	(1,739)
Other financial assets	–	8,743	8,743	8,743	–
	1,115,303	2,884,493	3,999,796	4,003,937	4,141
Current accounts and deposits from customers	–	2,731,483	2,731,483	2,731,952	(469)
Amounts due to banks and other financial institutions	–	82,362	82,362	71,963	10,399
Amounts payable under repurchase agreements	–	424,591	424,591	424,591	–
Debt securities issued	–	288,274	288,274	285,073	3,201
Subordinated debt	–	14,647	14,647	12,179	2,468
Other financial liabilities	–	42,498	42,498	42,498	–
	–	3,583,855	3,583,855	3,568,256	15,599
					19,740

*(millions of tenge)***23. Fair value of financial instruments (continued)****Accounting classifications and fair values (continued)**

The table below sets out the carrying amounts and fair values of financial assets and financial liabilities as at 31 December 2023:

	<i>31 December 2023</i>				
	<i>Assets and liabilities measured at fair value</i>	<i>Assets and liabilities whose fair value is disclosed</i>	<i>Total carrying amount</i>	<i>Fair value</i>	<i>Unrecognised income/ (loss)</i>
Cash and cash equivalents	–	704,042	704,042	704,042	–
Amounts due to financial institutions	–	101,430	101,430	101,430	–
Securities measured at fair value through profit or loss	3,016	–	3,016	3,016	–
Loans to customers	–	1,377,500	1,377,500	1,375,552	(1,948)
Investment securities measured at FVOCI	664,959	–	664,959	664,959	–
Investment securities measured at amortised cost	–	288,695	288,695	278,038	(10,657)
Other financial assets	–	9,890	9,890	9,890	–
	<u>667,975</u>	<u>2,481,557</u>	<u>3,149,532</u>	<u>3,136,927</u>	<u>(12,605)</u>
Current accounts and deposits from customers	–	2,261,023	2,261,023	2,259,438	1,585
Amounts due to banks and other financial institutions	–	68,384	68,384	59,799	8,585
Amounts payable under repurchase agreements	–	163,523	163,523	163,523	–
Debt securities issued	–	267,250	267,250	254,558	12,692
Subordinated debt	–	14,389	14,389	11,260	3,129
Other financial liabilities	–	33,093	33,093	33,093	–
	<u>–</u>	<u>2,807,662</u>	<u>2,807,662</u>	<u>2,781,671</u>	<u>25,991</u>
					<u>13,386</u>

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgment, the fair value should not be interpreted as being realisable in an immediate sale of the assets or settlement of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Financial assets and liabilities in the above table are carried at amortised cost, except for securities at fair value through profit or loss with carrying amount of 2,868 million tenge (31 December 2023: 3,016 million tenge) and investment securities measured at FVOCI with carrying amount of 1,112,435 million tenge (31 December 2023: 664,959 million tenge).

Valuation techniques include net present value and discounted cash flow models and comparison to similar instruments for which market observable prices exist, and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, foreign currency exchange rates, and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps.

*(millions of tenge)***23. Fair value of financial instruments (continued)****Accounting classifications and fair values (continued)**

For more complex instruments, the Group uses proprietary valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Example of instruments involving significant unobservable inputs include certain loans and securities for which there is no active market.

Assets a fair value of which approximates their carrying amount

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate their fair value. This assumption also applies to the call deposits and savings accounts with no fixed maturity date.

Financial assets and financial liabilities carried at amortised cost

A fair value of quoted bonds is based on quotations as at the reporting date. The fair value of unquoted instruments, loans to customers, customer deposits, amounts due from credit institutions, deposits of banks and other credit institutions, other financial assets and liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The following assumptions are used by management to estimate the fair values of financial instruments:

- The discount rate in the range from 8.28% to 20.33% per annum was used to discount the future cash flows from USD- and tenge-denominated (31 December 2023: 7.32% to 20.76% per annum).
- The discount rate in the range from 21.54% to 32.40% per annum was used to calculate the future cash flows from tenge-denominated loans to individuals (31 December 2023: 30.88% per annum).
- The discount rate in the range from 4.20% to 13.72% was used to calculate the future cash flows from securities measured at amortised cost, denominated in USD and tenge (31 December 2023: 4.95% to 15.28% per annum).
- The discount rate in the range from 0.7% to 15.4% was used to calculate the future cash flows from customer current accounts and deposits denominated in foreign currency and tenge (31 December 2023: 0.6% to 15.2% per annum).
- The discount rate in the range from 3.25% to 19.91% was used to calculate the future cash flows from amounts due from credit institutions, deposits of banks and other credit institutions (31 December 2023: 2.67% to 20.61% per annum).

Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: for which all inputs that significantly affect a fair value reported in the statements are observable directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table analyses the fair value of financial instruments measured at fair value as at 30 September 2024, by the level in the fair value hierarchy into which each fair value measurement is categorised.

	Note	30 September 2024 (unaudited)			Total
		Level 1	Level 2	Level 3	
Assets					
Securities measured at fair value through profit or loss		476	120	2,272	2,868
Investment securities measured at FVOCI	14	106,223	1,006,212	–	1,112,435
		<u>106,699</u>	<u>1,006,332</u>	<u>2,272</u>	<u>1,115,303</u>

*(millions of tenge)***23. Fair value of financial instruments (continued)****Fair value hierarchy (continued)**

The table below analyses financial instruments measured at fair value at 31 December 2023, by the level in the fair value hierarchy into which the fair value measurement is categorised.

	<i>Note</i>	<i>31 December 2023</i>			<i>Total</i>
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	
Assets					
Securities measured at fair value through profit or loss		671	73	2,272	3,016
Investment securities measured at FVOCI	14	472,351	192,608	–	664,959
		473,022	192,681	2,272	667,975

As at 30 December 2024, KSF debt securities as well as bonds of the Ministry of Finance of the Republic of Kazakhstan measured at FVOCI in the amount of 34,285 million tenge and 941,880 million tenge, respectively, are classified in Level 2 of the fair value hierarchy (as at 31 December 2023: KSF debt securities and bonds of the Ministry of Finance of the Republic of Kazakhstan of 59,662 million tenge and 104,137 million tenge, respectively). These investment securities are considered for regulatory purposes as high-quality liquid assets, but are classified in Level 2 due to insufficient amount of transactions with these securities in an active market.

As at 30 September 2024 and 31 December 2023, fair value of trading securities measured at fair value through profit or loss classified in Level 3 has been valued using the Free Cash flow method. The valuation model takes into account cash flows discounted at weighted average cost of capital.

The following table analyses the fair value of financial instruments not measured at fair value as at 30 September 2024, by the level in the fair value hierarchy into which each fair value measurement is categorised:

	<i>30 September 2024 (unaudited)</i>			<i>Total fair values</i>	<i>Total carrying amount</i>
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>		
Assets					
Cash and cash equivalents	–	856,458	–	856,458	856,458
Amounts due from financial institutions	–	47,215	–	47,215	47,215
Loans to customers	–	1,615,686	64,438	1,680,124	1,674,244
Investment securities measured at amortised cost	31,349	21,561	243,184	296,094	297,833
Other financial assets	–	8,743	–	8,743	8,743
Liabilities					
Current accounts and deposits from customers	–	2,731,952	–	2,731,952	2,731,483
Amounts due to banks and other financial institutions	–	71,963	–	71,963	82,362
Amounts payable under repurchase agreements	–	424,591	–	424,591	424,591
Debt securities issued	–	285,073	–	285,073	288,274
Subordinated debt	–	12,179	–	12,179	14,647
Other financial liabilities	–	42,498	–	42,498	42,498

*(millions of tenge)***23. Fair value of financial instruments (continued)****Fair value hierarchy (continued)**

The following table analyses the fair value of financial instruments measured at fair value as at 31 December 2023 by the level in the fair value hierarchy into which each fair value measurement is categorised:

	<i>31 December 2023</i>			<i>Total fair values</i>	<i>Total carrying amount</i>
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>		
Assets					
Cash and cash equivalents	–	704,042	–	704,042	704,042
Amounts due from financial institutions	–	101,430	–	101,430	101,430
Loans to customers	–	1,319,908	55,644	1,375,552	1,377,500
Investment securities measured at amortised cost	29,349	19,762	228,927	278,038	288,695
Other financial assets	–	9,890	–	9,890	9,890
Liabilities					
Current accounts and deposits from customers	–	2,259,438	–	2,259,438	2,261,023
Amounts due to banks and other financial institutions	–	59,799	–	59,799	68,384
Amounts payable under repurchase agreements	–	163,523	–	163,523	163,523
Debt securities issued	–	254,558	–	254,558	267,250
Subordinated debt	–	11,260	–	11,260	14,389
Other financial liabilities	–	33,093	–	33,093	33,093

24. Subsequent events

During October 2024 the Group places bonds with the nominal value of 5,600 thousand US dollars (equivalent to 2,719 million tenge).

During October and November 2024 the bonds included in the Group's portfolio of debt securities measured at amortised cost in the amount of 239,667 million tenge, including accrued coupon, were repaid according to the schedule.