LIMITED LIABILITY PARTNERSHIP MARSH (INSURANCE BROKERS)

Financial statements and Independent auditor's report for the year ended 31 December 2022

Content

Director
IAC Centeraudit –Kazakhstan LLP
(State Audit License for audit activities
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issued on 27 December 1999)
________________ V.V. Radostovets
7 April 2023

To the Partners and Management of Limited Liability Partnership Marsh (Insurance Brokers)

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of LLP Marsh (Insurance Brokers) (the Company) which comprise the statement of financial position as at 31 December 2022, and the statement of profit and loss and other comprehensive income, the statement of changes in partner's equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The audit of the financial statements for the year ended 31 December 2021 was conducted by another auditor who expressed unmodified opinion on these financial statements on 15 April 2022.

Responsibilities of management and those charged with corporate governance for the financial statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with corporate governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with corporate governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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АУДИТОР
Біліктілік куәлігі
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Қазақстан Республикасының Аудиторы

Auditor
(Audit Qualification Certificate No. МФ-0000801 dated 20 May 2019)

S. S. Rubanov

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STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Management of Limited Liability Partnership Marsh (Insurance Brokers) (the Company) is responsible for the preparation of the financial statements that present fairly the financial position as at 31 December 2022, and the related statements of profit or loss and comprehensive income for the year then ended, changes in equity and cash flows for the year then ended, and of significant accounting policies and notes to the financial statements (the financial statements) in compliance with International Financial Reporting Standards (IFRSs).

In preparing the financial statements, management is responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- making an assessment of the Company's ability to continue as a going concern.

Management is also responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls, throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRSs;
- maintaining statutory accounting records in compliance with legislation of the Republic of Kazakhstan;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

The financial statements of the Company for the year ended 31 December 2022 were approved by Management on 7 April 2023.

On behalf of Management of the Company:

A. L. Komarkovsky	A. M. Zamanbekova
General Manager	Chief Accountant

Translated from the Russian original

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2022

	Notes	2022	2021
Commission income from brokerage services	3.14	856,861	370,437
Other income		-	312
Total income		**856,861**	**370,749**
General and administrative expenses, including:	4	(542,492)	(411,320)
Payroll and business trip expenses	4	(295,572)	(249,017)
Management fees for services from Parent company	4	(52,092)	(40,414)
Professional services	4	(14,433)	(29,439)
Depreciation and amortization	4	(25,357)	(24,468)
Taxes, other than income tax	4	(1,083)	(1,477)
Recovery of/(allowance for) expected credit losses	8	(592)	10
Interest expense on lease liabilities	10	(6,281)	(8,337)
Net gain on foreign exchange operations	6	19,672	3,659
Total expenses		**(529,693)**	**(415,988)**
Profit (loss) before income tax		327,168	(45,239)
Income tax saving (expense)	5	(60,825)	10,986
Net profit (loss) :		**266,343**	**(34,253)**
Total comprehensive income (loss)		**266,343**	**(34,253)**

The notes on pages 5 to 21 form an integral part of these financial statements.

On behalf of Management of the Company:

A. L. Komarkovsky
General Manager

A. M. Zamanbekova
Chief Accountant

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

STATEMENT OF FINANCIAL POSITION
as at 31 December 2022

	Note	As at 31 December 2022	As at 31 December 2021
Assets			
Current assets:			
Cash	7	320,052	239,222
Accounts receivables	8	451,720	105,879
Prepaid expenses		5,688	5,115
Current income tax assets		-	61,135
Prepaid taxes		4,238	95
Other assets		784	5,124
Total current assets		**782,482**	**416,570**
Non-current assets:			
Deferred tax assets	5	8,178	30,522
Property, plant and equipment	9	51,293	56,925
Intangible assets	9	1,265	1,529
Right-of-use asset	10	31,093	46,640
Total non-current assets		**91,829**	**135,616**
Total assets		**874,311**	**552,186**
Liabilities and equity			
Current liabilities :			
Accounts payables	11	193,662	102,622
Current lease liabilities	10	21,488	17,401
Corporate income tax		13,919	-
Other liabilities	12	40,157	28,223
Total current liabilities		**269,226**	**148,246**
Non-current liabilities:			
Non-current lease liabilities	10	18,642	40,130
Total non-current liabilities		**18,642**	**40,130**
Total liabilities		**287,868**	**188,376**
Partner's equity:			
Charter capital	13	320,100	320,100
Retained earnings		266,343	43,710
Total partner's equity		**586,443**	**363,810**
Total liabilities and partner's equity		**874,311**	**552,186**

The notes on pages 5 to 21 form an integral part of these financial statements.

On behalf of Management of the Company:

A. L. Komarkovsky
General Manager

A. M. Zamanbekova
Chief Accountant

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2022

	Note	Charter capital	Retained earnings	Total
As at 01 January 2022		**320,100**	**43,710**	**363,810**
Profit and comprehensive income for the year		-	266,343	**266,343**
Dividends	13	-	(43,710)	**(43,710)**
As at 31 December 2022		**320,100**	**266,343**	**586,443**
As at 01 January 2021		**233,360**	**157,306**	**390,666**
Loss and comprehensive loss for the year		-	(34,253)	**(34,253)**
Transfer from retained earnings	13	86,740	(86,740)	**-**
Merge of subsidiary	1	-	7,397	**7,397**
As at 31 December 2021		**320,100**	**43,710**	**363,810**

The notes on pages 5 to 21 form an integral part of these financial statements.

On behalf of Management of the Company:

A. L. Komarkovsky
General Manager

A. M. Zamanbekova
Chief Accountant

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

	Notes	2022	2021
Cash flows from operating activities			
Profit (loss) before income tax		**327,168**	**(45,239)**
Adjustments for:			
Depreciation and amortization	4	25,357	24,468
Interest expense on rent*		8,337	-
Recovery of/(allowance for) expected credit losses	8	592	(10)
Unrealised gain on foreign exchange operations		(5,113)	(5,594)
Cash outflow from operating activities before changes in operating assets and liabilities		*356,341*	*(26,375)*
Changes in operating assets and liabilities:			
(Increase)/decrease in operating assets :			
Trade receivable		(342,859)	39,233
Prepaid expenses		(573)	(522)
Other tax assets		25,857	3,546
Other assets		4,340	(4,351)
Increase/(decrease) in operating liabilities:			
Accounts payable		92,579	(42,342)
Other liabilities		5,378	(8,407)
Cash inflow (outflow) from operating activities before interest on leases		*141,063*	*(39,218)*
Lease interest payment		(8,337)	-
Cash inflow (outflow) from operating activities after interest on leases		*132,726*	*(39,218)*
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets	9	(3,683)	(3,539)
Proceeds from merge of subsidiary	1.3	-	14
Net cash inflow/(outflow) from investing activities		*(3,683)*	*(3,525)*
Cash flows from financing activities			
Dividends paid	13	(43,710)	-
Repayment of lease liabilities	10	(17,401)	(15,345)
Net cash outflow from financing activities		*(61,111)*	*(15,345)*
Total: Increase (decrease) in cash		**67,932**	**(58,088)**
Effect of exchange rate changes on cash in foreign currency		12,898	4,916
Cash at the beginning of the reporting period		**239,222**	**292,394**
Cash at the end of the reporting period		**320,052**	**239,222**

*The company has reclassified items in its financial statement, to improve the presentation of information.

The notes on pages 5 to 21 form an integral part of these financial statements.
There were no significant non-cash transactions in 2022. In 2021 significant non-cash transactions are presented in Note 13.

On behalf of Management of the Company:

A. L. Komarkovsky
General Manager

A. M. Zamanbekova
Chief Accountant

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

1. COMPANY INFORMATION

1.1. Company's activities

LLP Marsh (Insurance Brokers) (the Company) is a Limited Liability Partnership, incorporated in the Republic of Kazakhstan in March 2000. The Company's activity is regulated by the National Bank of the Republic of Kazakhstan and the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market (the Agency). The Company conducts its business under License #3 dated 26 December 2001 and State Re-registration Certificate #31698-1910-TOO issued by the Ministry of Justice of the Republic of Kazakhstan on 3 May 2001. The Company's main activity is to provide Kazakhstan and international companies with insurance and reinsurance brokerage services. The Company is registered at the following address: Samal-2 microdistrict, 97, Zholdasbekov Street, BC "Samal Tower", 11 Floor, Almaty, 050051, Republic of Kazakhstan.

In the normal course of business, the Company enters into transactions with the companies of Marsh Group (the Group). These transactions include, but are not limited to brokerage services, management services from the Parent Company, and consulting services. As at 31 December 2022 and at 31 December 2021 the accounts receivable of the group companies amounted to 29.65% and 11.11% of the total assets of the Company, respectively. For the years ended at 31 December 2022 and at 31 December 2021 commission income from brokerage services earned from the group amounted to 34.98% and 26.84% of total commission income from brokerage services, respectively. Therefore, there is a concentration of the Company's assets and commission income from brokerage services in relation to the group. Information about transactions with related parties is disclosed in Note 15.

1.2. Composition of the Company's partners

Company's partners

As at 31 December 2021 by decision of the sole participant in the participant of Marsh and McLennan Companies Services B.V., registered in the Netherlands, owning 100% of the share of Marsh LLP (Insurance Brokers), it was decided to transfer its share to MMC Treasury Holdings (UK) Limited and Companies Finance Center (Luxembourg) S.à rl.

MMC Treasury Holdings (UK) Limited is a company registered under the laws of England and Wales, registration number 09787086, date of registration: 21September 2015, registered address: 1 Tower Place West, Tower Place, London, EC3R 5BU, United Kingdom. Companies Finance Center (Luxembourg) S.à rl. registered under the laws of Luxembourg, registration number B171615, registration date: September 27, 2012, registered office: 74, rue de Merl, 2146 Luxembourg.

As at 31 December 2022 and 31 December 2021 the Company's partners were as follows:

Name	% interest
MMC Treasury Holdings (UK) Limited (the Parent company)	99
Companies Finance Center (Luxembourg) S.à rl.	1
Total	**100**

As at 31 December 2022 and 31 December 2021 the ultimate controlling party of the Company was represented by Marsh & McLennan Companies, Inc., a public company whose shares are listed on the investment exchanges of New York, Chicago and London (https://irnews.marshmclennan.com/stock-information/shareholder-information).

1.3. Merger of subsidiary

In 2021, management decided to reorganize by merging Marsh (Risk Consulting) LLP (the Subsidiary) to the Company.
The reorganization process in the form of merging was carried out on the basis of the general meeting of partners, each partnership participating in the reorganization procedure, where the issue of conducting the reorganization procedure in the form of legal merger was resolved. All procedures were carried out in accordance with regulatory acts based on the legislation of the Republic of Kazakhstan. The reorganization procedure was completed on 23 July 2021.

As a result of the merger, the interest of Marsh and McLennan Companies Services B.V. (the Non-controlling partner) in the Subsidiary's charter capital in the amount of 116.80 Tenge was transferred to accounts payable to the non-controlling partner, and further was written off; the Company's interest was eliminated by this amount and recorded as "Investment in Subsidiary". All assets, rights and liabilities were transferred to the Company under the deed of transfer dated 30 April 2021.

As a result of the merger of the Subsidiary, , the Company received assets consisting of cash in the amount of 14 thousand Tenge, current tax assets of 5,490 thousand Tenge and other assets of 2,044 thousand Tenge, as well as short-term debt in the amount of 151 thousand Tenge . The effect of the merger was recorded in the Statement of changes in partner's equity for 2021 and amounted to 7,397 thousand Tenge.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Company for the year ended 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Committee (IASB).

The financial statements for the year ended 31 December 2022 were approved by management of the Company on 7 April 2023.

2.2 Functional and presentation currency

The national currency of the Republic of Kazakhstan is Kazakhstani Tenge (Tenge), which is the functional currency of the Company as it reflects the economic substance of underlying events and circumstances relevant to the Company. Tenge is also the presentation currency. All amounts in these financial statements have been rounded to the nearest thousands of Tenge except where otherwise indicated.

2.3 Going concern

These financial statements have been prepared in accordance with IFRSs assuming that the Company will adhere to going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business in the foreseeable future.
Management expects the Company to continue its operations on a going concern basis. In making this judgment, management has taken into account the current intentions and financial position of the Company.

2.4 Accrual basis

These financial statements except for information about cash flows, have been prepared on an accrual basis of accounting. Under the accrual basis of accounting, results of business transactions and other events when they occur are recognized in the financial statements regardless of payment time. The transactions and events are recognised in the accounting records and included in the financial statements of the periods in which they occurred.

2.5 Significant accounting estimates

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.
Estimates and underlying assumptions are based on past experience and other factors deemed relevant in the circumstances. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.
Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.
The most significant estimates relate to the useful lives of property, plant and equipment, the impairment of trade receivables and the estimated lease term of the office premise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Summary of significant accounting policies applied by the Company in preparing the financial statements for 2022 is presented below. These provisions are consistently applied in respect to all reported periods, except for adoption of below new and revised standards and IFRIC interpretations effective on or after 1 January 2022.

3.1. Merger of subsidiary

Accounting for the legal merger with subsidiary can be considered as accounting for a business combination involving business entities under common control, which is a business combination, according to which all combined business entities are ultimately controlled by the same party or parties, both before and after the business combination, and that control it is not temporary. The effect of combining businesses under common control is accounted for using the method of combining shares, provided that: the assets and liabilities of the merging business entities are measured at their carrying value, transaction costs associated with the merger are expensed in the statement of profit and loss, mutual balances are excluded, any difference between the purchase price paid/transferred and the value of net assets acquired assets (at their carrying value as disclosed in the financial statements) are recognized in the acquirer's equity.

3.2. Financial instruments

Key measurement terms
Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a contracting party to the underlying financial instrument. Depending on their classification financial instruments are carried at fair value or amortised cost as described below.

Fair value is an estimate based on market data and not an entity-specific estimate. For some assets and liabilities, observable market transactions or market information may be available.

An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the number of instruments held by the entity. This is the case even if a market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees are used to measure the fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows:
level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, level 2 measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and level 3 measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) increase or decrease, respectively, the fair value of the financial assets or financial liabilities at initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized directly in the income statement.

Amortised cost is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses. Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to the maturity amount using the effective interest method. Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of the related items in the statement of financial position.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the net carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument.
The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate. For assets that are purchased or originated credit impaired ("POCI") at initial

recognition, the effective interest rate is adjusted for credit risk, i.e. it is calculated based on the expected cash flows on initial recognition instead of contractual payment.

Financial assets

Measurement categories

The Company classifies its financial assets within the scope of IFRS 9 in the following measurement categories: carried at fair value through profit or loss, carried at fair value through other comprehensive income carried at amortised cost. The classification and subsequent measurement of debt financial assets depends on the Company's business model for managing the related assets portfolio and the cash flow characteristics of the asset.

The Company's financial assets include short-term trade receivables.

Business model

The business model reflects how the Company manages the assets in order to generate cash flows – whether the Company's objective is solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of and is applicable, the financial assets are classified as part of "other" business model and measured at fair value through profit or loss.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Company undertakes to achieve the objective set out for the portfolio available at the date of the assessment.

Financial assets are measured at amortized cost because they are held in accordance with the business model to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest.

Financial assets – reclassification

Financial instruments are reclassified only when the business model for managing the portfolio as a whole changes. The reclassification has a prospective effect and takes place from the beginning of the first reporting period that follows after the change in the business model. The Company did not change its business model during the current and comparative period and did not make any reclassifications.

Financial assets impairment – credit loss allowance for expected credit losses (ECL)

Debt instruments measured at amortized cost are presented in the statement of financial position net of an allowance for expected credit losses.

The Company assesses, on a forward-looking basis, the ECL for debt instruments measured at amortised cost. The Company measures ECL and recognises the allowance for credit losses at each reporting date. The measurement of ECL reflects: an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, time value of money and all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

For trade receivables, the Company applies a simplified approach in calculating expected credit losses. Consequently, the Company does not monitor changes in credit risk but instead recognizes a loss allowance at each reporting date in an amount equal to lifetime expected credit losses. The Company uses an allowance matrix based on its past experience of credit losses, adjusted for borrower-specific forecasts and general economic conditions. For all financial instruments, the Company recognizes gain or impairment loss in the statement of profit or loss, adjusted accordingly to their carrying amount through the loss allowance account.

To determine credit impairment, the Company considers the following:

• information, developed independently or obtained from external sources, indicating that payment of obligations by the debtor is unlikely, including obligations to the Company in full;
• the debtor defaulted on its obligations to creditors, including the Company; or
• the likelihood that the debtor will go bankrupt or there is another financial reorganization.

Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event.

Financial assets – derecognition
The Company derecognises financial assets when the assets are redeemed or the rights to cash flows from the assets otherwise expire or the Company has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement whilst also transferring substantially all the risks and rewards of ownership of the assets or neither transferring nor retaining substantially all the risks and rewards of ownership but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

Financial liabilities
Measurement categories
Financial liabilities within the scope of IFRS 9 are classified as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and financial guarantee contracts and loan commitments.
The Company's financial liabilities include trade payables.

Trade payables after initial recognition are carried at amortized cost using the effective interest method. Income and expenses are recognized in the profit or loss of the period when accounts payable are derecognised or impaired, as well as through the amortization process.

Financial liabilities – derecognition
Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).
An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the derecognised financial liability and the consideration paid or payable is recognized in profit or loss.

3.3. Cash
Cash includes funds on the Company's bank accounts.

3.4. Property, plant and equipment
Property, plant and equipment are carried at initial cost which includes all the necessary costs actually incurred to acquire property, plant and equipment, including import duties, non-refundable taxes, and any direct costs associated with bringing the asset to working condition and delivering it to places of intended use.
After initial recognition as an asset property, plant and equipment is carried at initial cost less accumulated depreciation and accumulated impairment losses. Depreciation and amortization are calculated on a straight-line basis using the following established annual rates:

Name	
Computer equipment	25-33%
Furniture and other property, plant and equipment	7-33%
Vehicles	20%

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profits and losses for the reporting period when the asset was disposed.
Residual value, useful lives of assets and depreciation methods are reviewed and adjusted by the Company if appropriate at each financial year end.

3.5. Intangible assets
Intangible assets are measured on initial recognition at initial cost. Following initial recognition, intangible assets are carried at initial cost less any accumulated amortisation and accumulated impairment losses.
Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.
Depreciation is accrued on a straight-line basis over the estimated useful lives of intangible assets. The annual depreciation rate is 10%.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

Any gain or loss arising upon derecognition of intangible assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profits or losses of the period when intangible assets are derecognised in the financial statements.

3.6. Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease, in other words, the Company determines whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. For short-term leases and leases of low-value assets, the Company recognizes lease payments as operating expenses on a straight-line basis over the lease term, unless another method of allocating costs more closely matches the distribution of economic benefits from the leased assets over time. The Company recognises lease liabilities with respect to lease payments and right-of-use assets, which represent the right to use underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

If at the end of the lease term the ownership of the leased asset is transferred to the Company or if the cost of the asset reflects the exercise of a purchase option, the asset is amortised over the expected useful life.

Right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

3.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.8. Deferred income

The consideration received prior to the brokerage services being rendered is recognised as contract liability (deferred income) in the statement of financial position of the Company, which is transferred to profit or loss on a systematic and rational basis as services are provided in accordance with the terms of the insurance contract.

3.9. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.10. Contingent liabilities and assets

Contingent liabilities are not recognised in the statement of financial position but are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

A contingent asset is not recognised in the statement of financial position but disclosed in the financial statements when an inflow of economic benefits is probable.

3.11. Charter capital

Contributions to charter capital are recognised at cost.

Distributions are recognised in equity as a reduction in the charter capital in the period in which they are declared. Distributions that are declared after the reporting date are treated as events after the reporting period.

3.12. Pension obligations, contributions to compulsory social health insurance and social tax

The Company pays social tax to the budget of the Republic of Kazakhstan in accordance with the tax legislation of the Republic of Kazakhstan. The Company pays statutory compulsory social deductions to the State Social Insurance Fund and contributions to the Compulsory Social Health Insurance Fund.

The total amount of social tax and social deductions and contributions constitutes 12.5 % of taxable employee's income. The Company also deducts 10% of salary of its employees as mandatory pension contributions to the Unified Accumulative Pension Fund (UAPF). In accordance with the legislation pension contributions are obligations of employees, and the Company has neither current nor future payment obligations upon retirement of its employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

3.13. Foreign currency transactions

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. In preparing the financial statements, monetary assets and liabilities denominated in currencies other than the Company's functional currency (foreign currencies) are translated at the appropriate spot rates of exchange prevailing at the reporting date. Transactions in currencies other than the functional currency are accounted for at the exchange rates prevailing at the date of the transaction. Profits and losses arising from these translations are included in net gain/(loss) on foreign exchange operations.
The exchange rates at reporting date used by the Company in the preparation of the financial statements are as follows:

	as at 31 December 2022	as at 31 December 2021
Tenge/1 USD	*462.65*	*431.80*
Tenge/1 EUR	*492.86*	*489.10*
Tenge/1 GBP	*556.57*	*583.32*

3.14. Recognition of revenue and expenses

Commission income from brokerage services
Commission income from brokerage services reflects compensation for brokerage through commission and fees. Commission rates vary in amount and can depend upon a number of factors, including the type of insurance or reinsurance coverage provided, the particular insurer or reinsurer selected. For majority of brokerage arrangements, services provided which culminate in the placement of an effective policy are considered a single performance obligation.
Consideration related to "bundled arrangements" is allocated to the individual performance obligations based on their relative fair values. Revenue for policy placement is generally recognised on the policy effective date, at which point control over the services provided by the Company has transferred to the customer and the customer accepts the services.

Expenses are accounted for when respective inventories or services are actually received irrespective when cash or cash equivalents were paid and are included in the financial statements in that period to which they relate.

The significant increase in brokerage fee income in 2022 is due to the recovery in business activity after the Covid-19 pandemic.

3.15. New standards adopted in 2022

The adoption of amendments to standards and interpretations, effective from 1 January 2022, did not affect the Company.
The Company has not early adopted standards, interpretations and amendments that have been issued but are not yet effective. It is not expected that the amendments to the standards effective on or after 1 January 2023 will significantly impact the Company. The impact of implementing new standards, amendments, and interpretations is currently being assessed.

4. GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
Payroll and social security contributions and contributions	281,308	239,474
Distribution of brokerage commissions within Marsh group	111,985	24,830
Management fees for services from Parent Company	52,092	40,414
Transportation services	16,595	16,001
Right-of-use asset depreciation	15,547	15,547
Professional services	14,433	29,439
Business trip expenses	14,264	9,543
Depreciation and amortization	9,810	8,921
Utilities	9,566	9,579
Office maintenance expenses	5,126	3,799
Property and responsibility insurance	4,639	3,778
Communication services	1,858	2,130
Taxes, other than income tax	1,083	1,477
Bank commission	369	1,217

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

Other	3,817	5,171
Total	**542,492**	**411,320**

5. DEFERRED TAX ASSETS

The Company calculates the tax for the current period on the basis of tax accounting records kept in accordance with the tax legislation of the Republic of Kazakhstan, which may differ from IFRSs. Due to the fact that certain types of expenses are not deductible for tax purposes, as well as due to the presence of non-taxable income, the Company has certain permanent tax differences.

As at 31 December 2022 and 31 December 2021 deferred tax assets (liabilities) comprised:

	2022	**2021**
Current income tax expense	38,481	-
Income tax adjustment	-	(5,353)
Deferred income tax expense (saving)	22,344	(5,633)
Income tax expense (saving) recognised in profit and loss	**60,825**	**(10,986)**

Reconciliation of income tax expense with profit (loss) before income tax according to accounting records is presented as follows:

	2022	**2021**
Profit or loss before income tax	**327,168**	**(45,239)**
Statutory income tax rate	20%	20%
Contingent income tax expense (saving)	65,434	(9,048)
Adjustment of income tax	-	(5,353)
Tax effect of permanent differences	(4,609)	3,415
Total corporate income tax expense (saving)	**60,825**	**(10,986)**

Temporary differences arise as a result of the following items:

	As at 31 December 2022	**Recognised in gains and losses**	**As at 1 January 2022**
Deferred income tax assets			
Accrued expenses	9,244	2,865	6,379
Right-of-use asset and lease liabilities	1,807	(371)	2,178
Tax losses carry forward	-	(24,334)	24,334
Total tax assets	**11,051**	**(21,840)**	**32,891**
Deferred income tax liabilities			
Property, plant and equipment and intangible assets	(1,735)	(100)	(1,635)
Prepaid expenses	(1,138)	(404)	(734)
Total tax liabilities	**(2,873)**	**(504)**	**(2,369)**
Total recognised tax assets	**8,178**	**(22,344)**	**30,522**

	As at 31 December 2021	**Recognised in gains and losses**	**As at 1 January 2021**
Deferred income tax assets			
Accrued expenses	6,379	(5,980)	12,359
Right-of-use asset and lease liabilities	2,178	40	2,138
Tax losses carry forward	24,334	12,095	12,239
Total tax assets	**32,891**	**6,155**	**26,736**
Deferred income tax liabilities			
Property, plant and equipment and intangible assets	(1,635)	(455)	(1,180)
Prepaid expenses	(734)	(67)	(667)
Total tax liabilities	**(2,369)**	**(522)**	**(1,847)**
Total recognised tax assets	**30,522**	**5,633**	**24,889**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

6. NET GAIN ON FOREIGN CURRENCY OPERATIONS

	As at 31 December 2022	As at 31 December 2021
Net translation differences	20,291	5,594
Foreign currency purchase and sale	(619)	(1,935)
Total	**19,672**	**3,659**

7. CASH

	As at 31 December 2022	As at 31 December 2021
Cash on current bank accounts in foreign currency	311,473	208,551
Cash on current bank accounts in Tenge	8,579	30,671
Total	**320,052**	**239,222**

8. TRADE RECEIVABLES

	As at 31 December 2022	As at 31 December 2021
Commission income of insurance brokers	452,988	106,555
Less allowance for expected credit losses	(1,268)	(676)
Total	**451,720**	**105,879**

Trade receivables from related and third parties are disclosed below:

	As at 31 December 2022	As at 31 December 2021
Trade receivables from related parties (Note 15)	259,271	61,363
Less allowance for expected credit losses	(953)	(312)
Total trade receivables from related parties	**258,318**	**61,051**
Trade receivables from third parties	193,717	45,192
Less allowance for expected credit losses	(315)	(364)
Total trade receivables from third parties	**193,402**	**44,828**

The movements in the allowance for expected credit losses are as follows:

As at 01 January 2021	**686**
Recovery of allowance for expected credit losses	(10)
As at 31 December 2021	**676**
Accrual of allowance for expected credit losses	592
As at 31 December 2022	**1,268**

9. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Office and computer equipment	Vehicles	Intangible assets	Leasehold improvement	Total
at initial cost					
As at 01 January 2021	**43,656**	**15,500**	**2,202**	**46,633**	**107,991**
Acquisition	2,980	-	441	118	3,539
As at 31 December 2021	**46,636**	**15,500**	**2,643**	**46,751**	**111,530**
Acquisition	3,914	-	-	-	3,914
Write off	(6,749)	-	-	-	(6,749)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

As at 31 December 2022	**43,801**	**15,500**	**2,643**	**46,751**	**108,695**
Accumulated depreciation and amortization					
As at 01 January 2021	**28,927**	**12,404**	**881**	**1,943**	**44,155**
Depreciation for the period	4,025	-	233	4,663	8,921
As at 31 December 2021	**32,952**	**12,404**	**1,114**	**6,606**	**53,076**
Depreciation for the period	4,883	-	264	4,663	9,810
Write off	(6,749)	-	-		(6,749)
As at 31 December 2022	**31,086**	**12,404**	**1,378**	**11,269**	**56,137**
Net carrying amount					
As at 31 December 2021	**13,684**	**3,096**	**1,529**	**40,145**	**58,454**
As at 31 December 2022	**12,715**	**3,096**	**1,265**	**35,482**	**52,558**

As at 31 December 2022 and 2021, the cost of fully amortized property, plant and equipment amounted to 15,888 thousand Tenge and 33,793 thousand Tenge, respectively.

10. RIGHT-OF-USE ASSET AND LEASE LIABILITIES

As of the reporting date, the Company has the contract for the office premise lease. Lease liabilities at initial recognition are measured at the present value of the lease payments using a discount rate of 13.4% and have a maturity of 5 years.

Changes in the right-of-use asset and lease liability:

	Right-of-use asset	**Lease liability**
As at 01 January 2021	**62,187**	**72,876**
Including:	-	
Short-term portion	-	*15,345*
Long-term portion	-	*57,531*
Amortisation expenses (Note 4)	(15,547)	-
Finance costs	-	8,337
Principal repayment in cash	-	(15,345)
Interest repayment in cash	-	(8,337)
As at 31 December 2021	**46,640**	**57,531**
Including:		
Short-term portion	-	*17,401*
Long-term portion	-	*40,130*
Amortisation expenses (Note 4)	(15,547)	-
Finance costs	-	6,281
Principal repayment in cash	-	(17,401)
Interest repayment in cash	-	(6,281)
As at 31 December 2022	**31,093**	**40,130**
Including:		
Short-term portion	-	*21,488*
Long-term portion	-	*18,642*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

11. TRADE PAYABLES

	As at 31 December 2022	As at 31 December 2021
Trade payables to related parties (Note 15)	193,109	99,711
Trade payables to third parties	553	2,911
Total	**193,662**	**102,622**

12. OTHER LIABILITIES

	As at 31 December 2022	As at 31 December 2021
Other financial liabilities :		
Tax consultants and audit services payable	8,547	3,363
Other professional services payable	55	-
Total other financial liabilities	**8,602**	**3,363**
Other non-financial liabilities:		
Accrued bonus	10,603	12,733
Provision for vacations	9,089	11,383
Withholding tax for non-resident-legal entity	11,132	-
Advances received	731	744
Total other non-financial liabilities	**31,555**	**24,860**
Total other liabilities	**40,157**	**28,223**

13. EQUITY

Charter capital
As at 31 December 2022 and 31 December 2021, the charter capital of the Company was approved and paid-up in the amount of 320,100 thousand Tenge and 320,100 thousand Tenge, respectively.

Dividends
In 2022, the Company declared and paid dividends of 43,710 thousand Tenge. In 2021 the Company did not declare or pay dividends.

Retained earnings
In order to comply with the regulatory requirements for equity capital, the Company redistributes a portion of retained earnings to the charter capital.
Due to the absence of new regulatory requirements for equity in 2022, there were no profit redistribution operations. In 2021, it was decided to transfer the retained earnings of the Company accrued in the period up to 2021 to the charter capital in the amount of 86,740 thousand Tenge.

14. CONTINGENT FINANCIAL LIABILITIES

Operating environment
The economic activity of the Company is carried out on the territory of the Republic of Kazakhstan. Laws and regulations affecting the business environment in the Republic of Kazakhstan are subject to rapid changes and the Company's assets and operations could be at risk due to negative changes in the political and business environment.
There continues to be uncertainty regarding further economic growth, access to capital and cost of capital, which could negatively affect the Company's future financial position, results of operations and business prospects.
Management believes it is taking appropriate measures to support the sustainability of the Company's business in the current circumstances.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

Geopolitical situation
In 2022, against the background of the aggravation of the foreign policy situation related to the armed conflict in the east of Ukraine and the sanctions imposed by a number of countries against the Russian Federation, there is a volatility in Tenge exchange rate against world currencies, which may indirectly impact the Company's activities in the future.
Management of the Company monitors the development of the current situation and takes measures that it considers necessary to maintain the sustainability and development of the Company's business in the foreseeable future. Management of the Company does not anticipate that future economic events will significantly impact the future operations and financial position of the Company.

Taxation
The taxation system in Kazakhstan is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the five subsequent calendar years; however, under certain circumstances a tax year may remain open longer. The legislative and regulatory acts of the Republic of Kazakhstan are not always clearly written and their interpretation is subject to varying interpretations by local tax inspectors of the Ministry of Finance of the Republic of Kazakhstan. There are often cases of differences of opinion between local, regional and republican tax authorities.

Legal issues
In the ordinary course of business, the Company may encounter various types of legal claims. Management of the Company believes that it is currently not possible to determine the ultimate outcome of the Company's contingent liabilities arising from litigation (if any), and therefore the financial statements do not include any adjustments that could result from this uncertainty. Such adjustments, if any, will be shown in the Company's financial statements in the period when the necessity becomes apparent and their numeric values can be estimate.

15. RELATED PARTY TRANSACTIONS

In 2022 and 2021 related parties include key management personnel of the Company, the Parent Company and companies under common control.

Key management personnel, i.e. persons vested with authority and responsibility in planning, management and control over the activities of the Company include chief executives. Key management personnel compensation is established on the basis of internal Rules and Policies.

As at 31 December 2022 and 31 December 2021, key management personnel compensation amounted to:

	2022	**2021**
Salary and provision for vacations	58,559	60,056

The balances of the Company's transactions with related parties as at 31 December 2022 and 31 December 2021 were as follows:

As at 31 December 2022	**Trade receivables**	**Trade payables**
Companies under common control		
Gross carrying amount	259,271	193,109
Expected credit losses	(953)	
Carrying amount	258,318	193,109

As at 31 December 2021	**Trade receivables**	**Trade payables**
Companies under common control		
Gross carrying amount	61,363	99,711
Expected credit losses	(312)	
Carrying amount	61,051	99,711

The following amounts were recognised in the statement of profit or loss and other comprehensive income arising from related party transactions:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

2022	**Commission fee of insurance brokers**	**General and administrative expenses less payroll expenses:**
Companies under common control	299,760	111,985
Parent company	-	52,092
Total	**299,760**	**164,077**

2021	**Commission fee of insurance brokers**	**General and administrative expenses less payroll expenses:**
Companies under common control	99,408	24,830
Parent company	-	40,414
Total	**99,408**	**65,244**

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is 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. Management believes that the fair value of financial assets and financial liabilities of the Company approximates their carrying value due to the short-term mature of these assets and liabilities.

17. CAPITAL MANAGEMENT

The Company's capital structure is comprised of the partner's equity, which includes the paid-in charter capital and retained earnings as disclosed in the statement of changes of partner's equity.

Management reviews the capital structure on a semi-annual basis. As a part of this review, Management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of Management, the Company balances its overall capital structure through the payment of distributions, increase of charter capital, attraction of additional borrowings or repayment of existing loans and borrowings.

The minimum amount of the charter capital is regulated by Resolution of the Board of the National Bank of Kazakhstan No. 270 dated 29 October 2018 "On Establishment of requirements for the minimum size of the charter and equity capital of an insurance broker, the procedure for forming the assets of a branch of an insurance broker-a non-resident of the Republic of Kazakhstan, accepted as a reserve, and their minimum size, and approval of the Rules for insurance broker's.

The Company manages capital in accordance with this Resolution, in order to ensure the continuation of operations for the foreseeable future.

18. RISK MANAGEMENT POLICIES

The Company's risk management policy is aimed at identifying, analyzing and managing the risks to which the Company is exposed, establishing appropriate controls, as well as continuously assessing the level of risk. Risk management policies and procedures are reviewed on a regular basis to reflect changing market conditions. Management of the Company is responsible for monitoring and implementing risk mitigation measures. The Company's principal financial instruments include cash, trade receivables and trade payables.

Operational risk

Operational risk is the risk resulting from system failure, human error, fraud or external events. When controls fail, operational risks can damage reputation, have legal consequences, or result in financial loss. The Company cannot assume that all operational risks have been eliminated, but by means of the system of controls and by monitoring and responding appropriately to potential risks. The Company can manage such risks. The control system provides for an effective segregation of duties, access rights, approval and reconciliation procedures, staff training, and evaluation procedures.

Political risk

The conflict between Russia and Ukraine continues to be assessed through regional and Group level dedicated incident management forums, aligning the Company's responses to both local governmental and Group corporate guidance. Ongoing risk assessments continue to monitor all the enterprise risk categories to support executive decision making. The Company has strong controls in place to monitor and respond to all identified areas of risk, in current and future conflicts e.g., the changing sanctions environment, the heightened risk of state sanctioned cybersecurity attacks, the evolving market environment and provision of effective advice to clients

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to meet its obligations and cause financial losses to the other party. The Company's maximum credit risk exposure corresponds to the carrying amount of cash held in bank accounts and trade receivables. It is the Company's policy to continuously monitor receivables, both through maturities and by monitoring the debtor's rating.

The table below presents the credit qualities of trade receivables.

	As at 31 December 2022				As at 31 December 2021			
	Gross carrying amount	**Expected credit losses**	**Carrying amount**	**% expected credit losses**	**Gross carrying amount**	**Expected credit losses**	**Carrying amount**	**% expected credit losses**
Trade receivables, including:	**452,988**	**(1,268)**	**451,720**		**106,555**	**(676)**	**105,879**	
Short-term	*32,550*	-	*32,550*	*0.00%*	*3,039*	-	*3,039*	*0.00%*
Past due:								
1-30 days	*200,094*	*(311)*	*199,783*	*0.16%*	*20,279*	*(52)*	*20,227*	*0.26%*
31-60 days	*152,447*	*(314)*	*152,133*	*0.21%*	*19,948*	*(74)*	*19,874*	*0.37%*
61-90 days	*14,231*	*(78)*	*14,153*	*0.54%*	*26,353*	*(135)*	*26,218*	*0.51%*
90-120 days	*28,459*	*(238)*	*28,221*	*0.84%*	*5,498*	*(34)*	*5,464*	*0.63%*
from 120 and more than days	*25,207*	(327)	*24,880*	*2.41%*	*31,438*	(381)	*31,057*	*2.34%*

	As at 31 December 2022	**As at 31 December 2021**	**Ratings**	
			As at 31 December 2022	**As at 31 December 2021**
Gross carrying amount of receivables from related parties	259,271	45,192	A- Stable Fitch Ratings	A-Stable Fitch Ratings
Expected credit losses	**(953)**	**(312)**		

Credit risk in relation to cash is associated with the possibility of default by the bank in which the funds are placed. Management of the Company manages this risk by placing funds with reputable second-tier banks of the Republic of Kazakhstan and by monitoring the credit rating of these banks.

Cash on settlement and card accounts in the breakdown of banks is as follows:

Banks	**As at 31 December 2022**	**As at 31 December 2021**	**Ratings**	
			As at 31 December 2022	**As at 31 December 2021**
Citibank Kazakhstan JSC	320,052	239,222	A+ Stable Fitch Ratings	A+ Stable Fitch Ratings
Total	**320,052**	**239,222**		

Geographical concentration

The Company exercises control over the risk in the legislation and regulatory arena and assesses its influence on the Company's activity. This approach allows the Company to minimize potential losses from the investment climate fluctuations in the Republic of Kazakhstan.

As at 31 December 2022 and 31 December 2021, the concentration of accounts receivable of the Company outside of Kazakhstan amounted to 89.2 % and 66.6%, respectively.

As at 31 December 2022 and 31 December 2021, the concentration of accounts payable of the Company outside of Kazakhstan amounted to 99.7% and 97.2%, respectively.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

Except for the accounts receivable and accounts payable, all other financial assets and liabilities are located in Kazakhstan.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to repay liabilities associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The contractual maturities of liabilities are presented in the table below:

	Total	<1 month	From 1 to 6 months	From 6 to 12 months	> 12 months
As at 31.12.2022					
Lease receivables	45,390	1,974	9,868	11,841	21,707
Trade payables	193,662	193,662	-	-	-
Other financial liabilities	8,602	8,602	-	-	-
Total liabilities	**247,654**	**204,238**	**9,868**	**11,841**	**21,707**
As at 31.12.2021					
Lease receivables	69,073	1,974	9,868	11,841	45,390
Trade payables	102,622	102,622	-	-	-
Other financial liabilities	3,363	3,363	-	-	-
Total liabilities	**175,058**	**107,959**	**9,868**	**11,841**	**45,390**

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risks: currency risk, interest rate risk and other price risks. The Company manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions.

Currency risk

Currency risk is the risk that fair value or future cash flows for financial instrument will fluctuate due to the changes in foreign exchange rates.

The Company controls currency risk by management of its open currency position through regular monitoring of fluctuations in currency rates and other macroeconomic indicators.

	As at 31.12.2022					As at 31.12.2021				
	Total	Tenge	USD	EUR	GBP	**Total**	Tenge	USD	EUR	GBP
Cash	320,052	8,579	308,623	1,636	1,214	239,222	30,671	207,328	1,223	-
Trade receivables	451,720	46,687	385,769	13,844	5,420	105,879	43,784	49,086	11,843	1,166
Total financial assets	**771,772**	**55,266**	**694,392**	**15,480**	**6,634**	**345,101**	**74,455**	**256,414**	**13,066**	**1,166**
Trade payables	(193,662)	(6,732)	(168,885)	-	(18,045)	(102,622)	(6,592)	(40,940)	(1,227)	(53,863)
Lease receivables	(40,130)	(40,130)	-	-	-	(57,531)	(57,531)	-	-	-
Other financial liabilities	(8,602)	(8,602)	-	-	-	(3,363)	(3,363)	-	-	-
Total financial liabilities	**(242,394)**	**(55,464)**	**(168,885)**	**-**	**(18,045)**	**(163,516)**	**(67,486)**	**(40,940)**	**(1,227)**	**(53,863)**
Net balance sheet item	**529,378**	**(198)**	**525,507**	**15,480**	**(11,411)**	**181,585**	**6,969**	**215,474**	**11,839**	**(52,697)**

The following table details the Company's sensitivity to increase and decrease in USD, EUR and GBP against Tenge. The sensitivity rate disclosed is used by the Company when reporting currency risk internally to key management personnel of the Company and represents management's assessment of the possible change in foreign currency exchange rates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (IN THOUSANDS OF TENGE)

	As at 31.12.2022		As at 31.12.2021	
	Exchange rate changes	**Effect on profit before income tax**	**Exchange rate changes**	**Effect on profit before income tax**
USD	20%	105,101	25%	53,869
	-20%	(105,101)	-25%	(53,869)
EUR	20%	3,096	25%	2,960
	-20%	(3,096)	-25%	(2,960)
GBP	20%	(2,282)	25%	(13,174)
	-20%	2,282	-25%	13,174

Price risk
The Company is not exposed to equity price risks arising from equity investments, because the Company does not trade in such investments.

Interest rate risk
The Company is not exposed to interest rate risk as it does not raise funds or have interest-bearing borrowings.

19. EVENTS AFTER THE REPORTING PERIOD

On 27 February 2023, the Company was re-registered due to the change in the name of the Parent company.