SkyBridge Invest JSC

Consolidated Financial Statements

For the year ended 31 December 2022

SKYBRIDGE INVEST JSC

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SKYBRIDGE INVEST JSC

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

Management of SkyBridge Invest JSC (hereinafter – the "Company") and its subsidiaries (hereinafter collectively − the "Group") is responsible for the preparation of the consolidated financial statements that present fairly, in all material respects, the financial position of the Group and its subsidiaries as at 31 December 2022 and the financial results of its activities, cash flows and changes in equity for the year ended on these dates, in accordance with International Financial Reporting Standards (hereinafter − IFRS).

In preparing the consolidated 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;
- application of reasonable and expedient estimates and;
- providing additional disclosures when compliance with the requirements of IFRS is insufficient for users of the consolidated financial statements to understand the impact of transactions, as well as other events and conditions on the financial position and financial results of the Group's operations; and
- assessment of the Group's ability to continue as a going concern in the foreseeable future.

Management is also responsible for:

- designing, implementing and maintaining the effective and reliable functionality of the internal control system of the Group;
- maintaining adequate accounting system, that are sufficient to show and explain the Group's transactions and allowing the preparation of information about the Group's financial position at any time with reasonable accuracy, and to ensure compliance of financial statements with IFRS;
- maintaining statutory accounting records in compliance with legislation and accounting standards of the Republic of Kazakhstan and IFRS;
- adopting measures within its competence to safeguard assets of the Group; and
- preventing and detecting fraud and other irregularities.

The consolidated financial statements of the Group for the year ended 31 December 2022 were approved by management on 20 April 2023.

Ainabayeva Sh. R.
Chairman of the Management Board

Dayletshina I. N.
Chief Accountant

Қазақстан Республикасы Алматы қаласы Акционерлік қоғамы "SkyBridge Invest" Акционерное общество город Алматы Республика Казахстан

20 April 2023
Almaty, the Republic of Kazakhstan

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and management of SkyBridge Invest JSC

Opinion

We have audited the consolidated financial statements of SkyBridge JSC and its subsidiaries (hereinafter collectively – the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group 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 (hereinafter – "IFRSs").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (hereinafter – "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 Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

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

№ 205

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group'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 SkyBridge JSC'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 consolidated 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 Group's to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with 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.

Report under the requirements of the legislation of the Republic of Kazakhstan

The Group's management is responsible for implementation by the Group of the legislation requirements of the Republic of Kazakhstan regarding reporting on the assets of REJSIF Sputnik JSC, RICEMF Joint Equity Fund (renamed from Taikazan), OEIC SBI Adamant Fund, RICEMF Skybridge Bayankol, RICEMF Skybridge Talgar, RICEMF Skybridge Kumbel and OEIC Kompetenz Invest Open-Ended Investment Company Ltd. (hereinafter – the "Funds"), accepted by the Group into the investment management, for accounting and reporting in relation to these assets and for the internal control system necessary for reporting on the assets of the Funds accepted into investment management.

In accordance with the requirements of the Law of the Republic of Kazakhstan "On Investment Funds" dated 7 July 2004 No. 576-II, during the audit, we evaluated the compliance with the requirements of the legislation of the Republic of Kazakhstan on the accounting procedure and reporting on the assets of the Funds accepted by the Group into investment management. In our opinion, the statements on pages 37 - 44 regarding the assets of the Funds taken by the Group into investment management, which comprise of a report on the assets of the investment fund and a profit or loss statement on the assets of the investment fund, have been prepared in all material respects, in accordance with the requirements of the respective legislation of the Republic of Kazakhstan.

Grant Thornton LLP

Evgeny Zhemaletdinov

Auditor/Engagement partner

Certified Auditor of the Republic of Kazakhstan
Qualification certificate
№MF-00000553 dated 20 December 2003

Yerzhan Dossymbekov

General Director
Grant Thornton LLP

State license №18015053 for providing audit service on the territory of the Republic of Kazakhstan issued by the Internal Audit Committee of the Ministry of Finance of the Republic of Kazakhstan on 3 August 2020

20 April 2023
Almaty, the Republic of Kazakhstan

SKYBRIDGE INVEST JSC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

In thousands of tenge	Note	**31 December 2022**	31 December 2021
ASSETS			
Cash and cash equivalents	5	418,426	204,756
Commission receivables	6	466,915	38,618
Financial assets at fair value through other comprehensive income	7	160,231	293,150
Financial assets at fair value through profit or loss	8	278,473	775,958
Property and equipment	9	151,159	153,949
Intangible assets	10	26,553	11,471
Deferred corporate income tax assets	11	4,490	847
Current corporate income tax assets		–	46,927
Loans to related parties	12	45,715	28,256
Other assets	13	61,467	81,020
TOTAL ASSETS		**1,613,429**	**1,634,952**
EQUITY AND LIABILITIES			
Equity			
Share capital	14	744,798	744,798
Revaluation reserve and impairment of financial assets at fair value through other comprehensive income		(14,410)	12,299
Retained earnings		699,791	726,318
Total equity		**1,430,179**	**1,483,415**
Liabilities			
Lease liabilities	15	32,241	68,797
Current corporate income tax liabilities		14,287	–
Other liabilities	16	136,722	82,740
Total liabilities		**183,250**	**151,537**
TOTAL EQUITY AND LIABILITIES		**1,613,429**	**1,634,952**

The notes on pages 5-44 are an integral part of these consolidated financial statements.

Chairman of the Management Board ________________ Aimabayeva Sh. R.

Chief Accountant ________________ Davletshina I. N.

20 April 2023
Almaty, the Republic of Kazakhstan

SKYBRIDGE INVEST JSC

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

In thousands of tenge	Note	**2022**	2021
Commission income from fiduciary assets	17	115,392	125,520
Income from consulting and underwriting services	18	751,783	363,521
Income from brokerage and nominal holder services	19	146,407	291,013
Interest income	20	22,997	17,773
Net (loss)/ gain on financial assets at fair value through profit or loss		(82,557)	200,856
Net gain from foreign currencies operations		49,880	15,105
Net gain/ (loss) on financial assets at fair value through other comprehensive income		1,910	(3,544)
Other (expenses)/ income		(27,742)	6,565
Operating income		**978,070**	**1,016,809**
Personnel expenses	21	(446,620)	(503,309)
General and administrative expenses	22	(364,939)	(255,706)
Expenses on brokerage services		(101,542)	(122,780)
Amortization		(25,620)	(19,463)
Finance expenses	15	(6,511)	(7,277)
Operating expenses		**(945,232)**	**(908,535)**
Profit before corporate income tax expense		**32,838**	**108,274**
Corporate income tax expense	11	(19,365)	(6,839)
Profit for the year		**13,473**	**101,435**
Other comprehensive (loss)/ income for the year			
Other comprehensive income to be reclassified subsequently to profit or loss when specific conditions are met:			
Net change in fair value of debt instruments measured at fair value through other comprehensive income		(24,799)	(29,027)
Amount reclassified to profit or loss as a result of the disposal of debt instruments measured at fair value through other comprehensive income		(1,910)	3,544
Other comprehensive loss for the year, net of corporate income tax		**(26,709)**	**(25,483)**
Total comprehensive (loss)/ income for the year		**(13,236)**	**75,952**

The notes on pages 5 – 44 are an integral part of these consolidated financial statements.

Chairman of the Management Board _____ Almabayeva Sh. R.

Chief accountant _____ Davletshina I. N.

Қазақстан Республикасы Алматы қаласы Акционерлік қоғамы "SkyBridge Invest" Акционерное общество город Алматы Республика Казахстан

20 April 2023
Almaty, the Republic of Kazakhstan

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

In thousands of tenge	Share capital	Revaluation reserve and impairment of financial assets at fair value through other comprehensive income	Retained earnings	Total
As at 31 December 2020	**744,798**	**37,782**	**624,883**	**1,407,463**
Profit for the year	–	–	101,435	101,435
Other comprehensive loss for the year	–	(25,483)	–	(25,483)
Total comprehensive income for the year	–	**(25,483)**	**101,435**	**75,952**
As at 31 December 2021	**744,798**	**12,299**	**726,318**	**1,483,415**
Profit for the year	–	–	13,473	**13,473**
Dividends paid	–	–	(40,000)	**(40,000)**
Other comprehensive loss for the year	–	(26,709)	–	**(26,709)**
Total comprehensive income for the year	–	**(26,709)**	**(26,527)**	**(53,236)**
As at 31 December 2022	**744,798**	**(14,410)**	**699,791**	**1,430,179**

The notes on pages 5 – 44 are an integral part of these consolidated financial statements.

Chairman of the Management Board ____________ Aimabayeva Sh. R.

Chief accountant ____________ Davletshina I. N.

20 April 2023
Almaty, the Republic of Kazakhstan

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

In thousands of tenge	Note	2022	2021
Operating activities			
Profit before corporate income tax expense		**32,838**	108,274
Adjustments to reconcile profit before income tax to net cash flows			
Interest income accrued	20	**(22,997)**	(17,773)
Depreciation and amortization of property and equipment, right-of-use assets and intangible assets	9, 10	**65,304**	47,899
Net loss/ (gain) from operations with financial assets at fair value through profit or loss		**82,557**	(200,856)
Amortization of discount on loans issued to related parties	12	**–**	82
Change in accrued unused vacation reserves		**5,789**	(10,654)
Net unrealized gain on foreign currency transactions		**(80,958)**	(5,161)
Expected credit losses		**9,420**	15,678
Accrued interest on lease	15	**6,511**	7,277
Change in working capital			
Sales of financial assets measured at fair value through profit or loss		**6,554,026**	15,306,815
Acquisition of financial assets measured at fair value through profit or loss		**(6,094,142)**	(15,239,028)
Sale of financial assets measured at fair value through other comprehensive income		**134,049**	10,870
Acquisition of financial assets measured at fair value through other comprehensive income		**(12,916)**	(69,865)
(Decrease)/ increase in commissions receivable		**(414,720)**	112,541
Increase in other assets		**51,453**	(6,968)
Increase in other liabilities		**60,565**	51,863
Cash flows received from operating activities		**376,779**	**110,994**
Interest received		**22,975**	1,981
Interest paid	15	**(6,511)**	(7,277)
Corporate income tax paid		**(6,306)**	(794)
Net cash flows received from operating activities		**386,937**	**104,904**
Investing activities			
Purchase of property and equipment	9	**(59,749)**	(62,640)
Sale of property and equipment		**2,531**	8,668
Purchase of intangible assets	10	**(17,838)**	–
Investments in subsidiaries at fair value through profit or loss	8	**(4,335)**	–
Issuing loans to related parties	12	**(16,545)**	(14,778)
Net cash flows used in investing activities		**(95,936)**	**(68,750)**
Financing activities			
Dividends paid	14	**(40,000)**	–
Repayment of lease obligations		**(39,096)**	(25,973)
Net cash flows used in financing activities		**(79,096)**	**(25,973)**
Net change in cash and cash equivalents		**211,905**	10,181
Effect of changes in exchange rates on cash and cash equivalents		**1,765**	(2,031)
Cash and cash equivalents as at 1 January	5	**204,756**	196,606
Cash and cash equivalents as at 31 December	5	**418,426**	**204,756**

Non-monetary transactions

During 2022, the Group used prepaid CIT in the amount of 31,900 thousand tenge to pay other taxes.

The notes on pages 5 – 44 are an integral part of these consolidated financial statements.

Chairman of the Management Board

Almabayeva Sh. R.

Chief accountant

Davletshina I. N.

Қазақстан Республикасы Алматы қаласы Акционерлік қоғамы "SkyBridge Invest" Акционерное общество город Алматы Республика Казахстан

20 April 2023
Almaty, the Republic of Kazakhstan

1. GENERAL INFORMATION

SkyBridge Invest Joint Stock Company (hereinafter – the "Company") and its subsidiaries (hereinafter together – the "Group") was registered in accordance with the legislation of the Republic of Kazakhstan in 2003. The Group's activities are regulated by the Agency of the Republic of Kazakhstan for regulation and development of financial market (hereinafter – the "Agency") and are performed based on the license No. 4.2.192/113 dated 20 July 2016, which allows to perform the following activities:

1. Brokerage and dealing activities at the securities market with the right to keep clients' accounts as a nominal holder;
2. Investment portfolio management activities, including investment management without the right to attract voluntary pension contributions.

The Group's main activities include management of investment portfolios of joint stock investment and mutual funds, investment of clients' assets in fiduciary management as well as brokerage and dealing activities with the right to keep clients' accounts as a nominal holder and financial consulting services**.**

Consolidated subsidiaries are represented as follows:

Name of the company	Country of establishment	Date of formation	Main activity	Participation rate, %	
				31 December 2022	31 December 2021
Private company SkyBridge Digital Finance Ltd.	Kazakhstan	08.09.2022	Financial services and investment activities	**100.00%**	–

Unconsolidated subsidiaries are represented as follows:

Name of the company	Country of establishment	Date of formation	Main activity	Participation rate, %	
				31 December 2022	31 December 2021
Open-ended investment company SBI Adamant Fund *	Kazakhstan	13 March 2020	Investment portfolio management	**100.00%**	**100.00%**
SkyBridge Asset Management Sarl *	Luxembourg	27 January 2020	Managing alternative investment funds	**100.00%**	**100.00%**
Private company of an open investment type Skybridge Growth and pre-IPO Fund	Kazakhstan	11 May 2022	Investment portfolio management	**100.00%**	–

* In accordance with IFRS 10 Consolidated Financial Statements, the Group has determined that the subsidiary meets the criteria of an investment entity and is carried at fair value through profit or loss.

Shareholders

As at 31 December 2022 and 2021, the Group's shareholders were:

	31 December 2022	31 December 2021
Yeskindirov Adl Makhmudovich	**50.0%**	50.0%
SB Solutions LLP	**50.0%**	50.0%
	100.0%	**100.0%**

SB Solutions LLP has eight individual participants, none of which has a controlling interest. The largest of the participants, Mr. Irishev A. B., owns 30% in SB Solutions LLP. The shares of other participants range from 3% to 18%.

As at 31 December 2022, the address of the Group's registered office is: 14 floor, Capital Tower Business Center, 34, Abish Kekilbaiuly str., 050000, Almaty, the Republic of Kazakhstan.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (hereinafter – "IFRS").

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments.

Functional and presentation currency

The consolidated financial statements were presented in tenge, the currency of the economic environment in which the Group operates. For the purposes of these consolidated financial statements, the financial results and financial position of the Group are expressed in tenge (hereinafter - "tenge"), which is the functional and presentation currency for these consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been applied consistently by the Group in all reporting periods presented in these consolidated financial statements.

Consolidation principles

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls a subsidiary when the Group is exposed to, or entitled to, variable income from participation in an investee and has the ability to exercise its power over the entity to influence the amount of that income. In particular, the Group consolidates investees over which it exercises de facto control. The financial statements of subsidiaries are included in the consolidated financial statements from the date control is acquired until the date it ceases.

Acquisitions and sales of non-controlling interests

The Group treats acquisitions and disposals of non-controlling interests in its consolidated financial statements as transactions with shareholders. Any difference between the amount by which non-controlling interests have been adjusted and the fair value of the consideration paid or received is recognized directly in equity and is attributable to the owners of the parent company.

Transactions eliminated on consolidation

Transactions between members of the Group, balances due on such transactions, and unrealized gains arising from these transactions are eliminated in the process of preparing the consolidated financial statements. Unrealized gains from transactions with associates are excluded from the consolidated financial statements in an amount equal to the Group's share in these organizations. Unrealized gains from transactions with associates are excluded from the consolidated financial statements in correspondence with the investment account in these entities. Unrealized losses are eliminated from the consolidated financial statements in the same way as profits, unless there is an indication of impairment.

Standards and interpretations adopted in the current year

The Group has applied for the first time certain amendments to the standards that are effective for annual periods beginning on or after 1 January 2022. The Group has not early adopted standards, interpretations or amendments that have been issued but are not yet effective. The nature and impact of each amendment is described below:

Amendments to IAS 37 – Onerous Contracts – Costs to Perform a Contract

An onerous contract is a contract where the unavoidable costs of fulfilling the obligations under the contract (ie costs that the Group cannot avoid) exceed the economic benefits expected to flow from it.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards and interpretations adopted this year (continued)

Amendments to IAS 37 – Onerous Contracts – Costs to Perform a Contract (continued)

The amendments clarify that in assessing whether a contract is onerous or unprofitable, the Group must consider costs directly attributable to a contract for the provision of goods or services, which include both incremental costs (for example, direct costs of labor and materials) and allocated costs directly related to the execution of the contract (for example, the cost of depreciation of equipment used to fulfill this contract, as well as the costs of maintaining and monitoring the execution of the contract). General and administrative costs are not directly related to the contract and are not taken into account, unless they are explicitly recoverable by the counterparty to the contract. These amendments did not have any impact on the Group's consolidated financial statements.

Amendments to IFRS 3 - References to the Conceptual Framework

The amendments replace the reference to the previous version of the IASB Framework with a reference to the current version, issued in March 2018, without materially changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential day 2 gains or losses arising on liabilities and contingent liabilities that would be subject to IAS 37 Provisions contingent liabilities and contingent assets or IFRC 21 Charges, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRC 21, respectively, instead of the conceptual framework, to determine whether a current liability exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 clarifying that contingent assets are not recognized at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e. business combinations occurring after the start of the annual reporting period in which it first applies the amendments (date of initial application).

The amendments did not have an impact on the Group's consolidated financial statements as there were no contingent assets, liabilities or contingent liabilities that arose during the reporting period that fall within the scope of this amendment.

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Use for the Intended Use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment any proceeds from the sale of manufactured goods when the asset is brought into the location and condition necessary to enable it to function as intended by management. Instead, the entity recognizes revenue from the sale of those goods and costs of producing those goods in profit or loss.

These amendments did not have any impact on the Group's consolidated financial statements as there were no sales of property, plant and equipment leased at the beginning of the earliest period presented or after that date.

Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards – First time adopter of International Financial Reporting Standards

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative exchange differences using the amounts reported in the parent's financial statements based on the parent's date of transition to IFRSs, unless adjustments have been made in relation to the procedures and the consequences of a business combination in which a parent company acquired a subsidiary. This amendment also applies to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments did not have any impact on the Group's consolidated financial statements as it is not a first-time adopter of IFRS.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards and interpretations adopted this year (continued)

Amendment to IFRS 9 "Financial Instruments" – 10% Test Fee for Derecognition of Financial Liabilities (continued)

The amendment clarifies the fees that the Group includes in assessing whether the terms of a new or amended financial liability differ materially from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or the lender on behalf of another. A similar amendment is not proposed for IAS 39 Financial Instruments: Recognition and Measurement.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged at or after the beginning of the annual reporting period in which the entity first applies the amendment (date of initial application).

This amendment did not have any impact on the Group's consolidated financial statements as there were no modifications to the Group's financial instruments during the period under review.

Amendment to IAS 41 Agriculture – Taxation on Fair Value Measurement

The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for tax purposes when measuring the fair value of assets under IAS 41.

This amendment did not have any impact on the Group's consolidated financial statements as the Group had no assets within the scope of IAS 41 as at the reporting date.

Fair value measurement

The Group measures financial assets at fair value through profit or loss (FVPL) and at fair value through other comprehensive income (FVOCI), at fair value at each reporting date.

Fair value is the price that would have been received for the sale of an asset or paid for the transfer of a liability in a transaction that is normally conducted between market participants at the valuation date. The fair value measurement assumes that a transaction to sell an asset or transfer a liability occurs:

- either in the main market for this asset or liability;
- or, in the absence of a primary market, in the most favorable market for the asset or liability.

The Group must have access to the main or most favorable market. The fair value of an asset or liability is measured using assumptions that market participants would use to determine the price of the asset or liability, assuming that market participants are acting in their best interests. The fair value measurement of a non-financial asset takes into account the ability of a market participant to generate economic benefits from using the asset in the best and most efficient way or selling it to another market participant who will use this asset in the best and most efficient way.

The Group uses valuation techniques that are acceptable in the circumstances and for which sufficient data are available to measure fair value, while maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities whose fair value is measured or disclosed in the consolidated financial statements are classified within the hierarchy of fair value sources described below based on the lowest level of input data that is relevant to the overall fair value measurement:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – valuation models in which inputs that are relevant to fair value measurements that relate to the lowest level of the hierarchy are directly or indirectly observable in the market.
- Level 3 – valuation models in which inputs that are relevant to fair value measurements that relate to the lowest hierarchy level are not observable in the market.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value measurement (continued)

In the case of assets and liabilities that are recognized in the consolidated financial statements on a periodic basis, the Group determines the fact of transfer between levels of hierarchy sources, re-analyzing the classification (based on the initial data of the lowest level, which are significant for assessing the fair value as a whole) at the end of each reporting period.

Financial instruments

Initial recognition

Date of recognition

The purchase or sale of financial assets and liabilities on standard terms is recognized at the date of transaction, i.e. on the date when the Group undertakes to purchase an asset or liability. A purchase or sale on standard terms includes the purchase or sale of financial assets and liabilities within the framework of an agreement, under the terms of which the delivery of assets and liabilities is required within the period established by the rules or agreements adopted on the market.

Initial assessment

The classification of financial instruments upon initial recognition depends on the contractual terms and the business model used to manage the instruments. Financial instruments are initially measured at fair value, including transaction costs, unless financial assets and financial liabilities are measured at fair value basis.

Categories of valuation of financial assets and liabilities

The Group classifies all its financial assets based on the business model used for asset management and the contractual terms of the assets as being valued at:

- Amortized cost;
- FVOCI;
- FVPL.

The Group classifies and evaluates creds and instruments held for trading in accordance with FVPL. The Group may, at its discretion, classify financial instruments as valued in accordance with FVPL, if such a classification eliminates or significantly reduces the inconsistency in applying the principles of measurement or recognition.

Financial liabilities are measured at amortized cost, or at FVPL if they are held for trading and derivatives or are classified at the entity's discretion as measured at fair value.

Debt instruments valued at FVOCI

The Group evaluates debt instruments at FVOCI if both of the following conditions are met:

- the instrument is held in the framework of a business model, the goal of which is achieved both by obtaining the cash flows stipulated by the contract and by selling financial assets;
- the contractual terms of the financial asset comply with the SPPI test criteria.

FVOCI debt instruments are subsequently measured at fair value, and gains or losses resulting from changes in fair value are recognized in other comprehensive income. Interest income and gains or losses on changes in foreign exchange rates are recognized in profit or loss in the same manner as for financial assets at amortized cost. Upon derecognition, accumulated gain or loss previously recognized in other comprehensive income is reclassified from the other comprehensive income to profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Debt instruments valued at FVOCI (continued)

Expected credit losses for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which continue to be measured at fair value. Instead, an amount equal to the reserve for expected credit losses that would have been created when the asset was measured at amortized cost is recognized in other comprehensive income as the accumulated impairment amount with the corresponding amounts recognized in profit or loss. The cumulative amount of losses recognized in other comprehensive income and estimate statements is reclassified to profit or loss upon derecognition of the asset.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank accounts and amounts due from credit institutions that mature within ninety days of the date of origination and are free from contractual encumbrances.

Reclassification of financial assets and liabilities

The Group does not reclassify financial assets after their initial recognition, except in certain cases, when it changes the financial asset management business model. Financial liabilities are never reclassified.

Repurchase and reverse repurchase agreements

Sale and repurchase agreements (“repos”) are treated as secured financing transactions. Securities sold under sale and repurchase agreements are retained in the statement of financial position and, in case the transferee has the right by contract or custom to sell or repledge them, reclassified as securities pledged under sale and repurchase agreements. The corresponding liability is presented within amounts due to credit institutions or customers.

Securities purchased under repurchase agreements with an obligation to resell (“reverse repos”) are included in cash and cash equivalents, due from credit institutions or loans to customers, as appropriate. The difference between the purchase price and the resale price represents interest income and is recognized in profit or loss over the period of the repo transaction using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) ceases to be recognized in the statement of financial position if:

- the rights to receive cash flows from the asset have expired;
- the Group transferred the right to receive cash flows from the asset or accepted the obligation to transfer the received cash flows in full without significant delay to a third party under the terms of a “transit” agreement; and
- the Group either (a) transferred almost all the risks and benefits of the asset, or (b) did not transfer, but does not retain all the risks and benefits of the asset but transferred control of the asset.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition of financial assets and liabilities

Financial assets (continued)

If the Group transferred its rights to receive cash flows from the asset, while neither transferring, nor retaining practically all the risks and benefits associated with it, nor transferring control of the asset, such an asset is accounted for within the ongoing participation of the Group in this asset. Continuation of participation in the asset, which takes the form of a guarantee for the transferred asset, is measured at the lower of the initial carrying amount of the asset and the maximum amount of compensation that may be presented for payment to the Group.

Financial liabilities

A financial liability is derecognized when the relevant obligation is fulfilled, cancelled, or expires.

When replacing one existing financial obligation with another obligation to the same creditor, on substantially different conditions, or in the event of significant changes to the conditions of the existing obligation, the initial obligation is deregistered, and the new obligation is recorded with the recognition of the difference in the carrying amount of obligations in the composition profit or loss.

Expected credit losses recognition

The Group recognizes the estimated allowance for expected credit losses on financial assets measured at amortized cost and fair value through other comprehensive income in an amount equal to expected credit losses for the entire period if the credit loss has increased significantly since initial recognition. The Group does not reduce the carrying amount of a financial asset at fair value through other comprehensive income but recognizes an estimated reserve in other comprehensive income.

In determining whether there is a significant increase in the credit risk of a financial asset since its initial recognition, the Group focuses on changes in the risk of a default occurring over the life of the credit instrument, and not on changes in the amount of expected credit losses. If the terms and conditions of the cash flows for a financial asset stipulated by the agreement have been revised or modified and the recognition of the financial asset has not been terminated, the Group assesses whether the credit risk for the financial instrument has changed significantly by comparing:

- risk assessment of default as at the reporting date (based on modified contractual terms);
- risk assessment of the occurrence of default upon initial recognition (based on the initial unmodified contractual terms)

If there is no significant increase in credit risk, the Group recognizes an allowance for losses on a financial asset in the amount equal to 12-month expected credit losses, with the exception of:

1) acquired or created credit-impaired financial assets;
2) trade receivables; and
3) lease receivables.

For financial assets referred to in paragraphs (1)-(3), the Group estimates the allowance for losses in the amount of expected credit losses for the entire term.

If in the previous reporting period the Group estimated the estimated allowance for losses on a financial instrument in an amount equal to the expected credit losses for the entire period, but as at the current reporting date determines that there is no significant increase in credit risk, then at the current reporting date the Group should evaluate the estimated a provision equal to 12-month expected credit losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expected credit losses recognition (continued)

The Group recognizes, as profit or loss from impairment, the amount necessary to adjust the estimated allowance for losses to the amount of expected credit losses as at the reporting date.

For acquired or created credit-impaired financial assets, the Group recognizes favorable changes in expected credit losses for the whole term as a recovery of impairment losses, even if the expected credit losses for the whole period are less than the expected credit losses that were included in the estimated cash flows at initial recognition.

Assessment of expected credit losses the Group estimates expected credit losses on a financial instrument in a manner that reflects:

1) an unbiased and weighted amount of probability, determined by assessing the range of possible results;
2) the time value of money;
3) reasonable and confirmed information about past events, current conditions and projected future economic conditions available at the reporting date.

The maximum period considered in assessing expected credit losses is the maximum period under the contract (including extension options) during which the Group is exposed to credit risk.

To achieve the goal of recognizing expected credit losses for the entire period arising from a significant increase in credit risk since initial recognition, it may be necessary to assess a significant increase in credit risk on a group basis, for example, by analyzing information indicating a significant increase in credit risk for a group or subgroup of financial instruments. This ensures that the Group achieves the goal of recognizing expected credit losses for the entire period in the event of a significant increase in credit risk, even if confirmation of such a significant increase in credit risk at the level of an individual instrument is not yet available.

Taxation

The current corporate income tax charge is calculated in accordance with the regulations of the Republic of Kazakhstan.

Deferred corporate income tax assets and liabilities are calculated in respect of all temporary differences using the liability method. Deferred corporate income tax is provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, except where the deferred corporate income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

A deferred corporate income tax asset is recorded only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred corporate income tax assets and liabilities are measured at tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

In addition, the Republic of Kazakhstan has various operating taxes applicable to the activities of the Group. These taxes, in addition to corporate income tax, are included in the statement of comprehensive income as general and administrative expenses.

Property and equipment

Property and equipment are carried at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment. Such cost includes the cost of replacing part of equipment when that cost is incurred if the recognition criteria are met.

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation of an asset begins when it is available for use. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

	Useful life in years
Capital improvements of leased office	4-5
Machinery and equipment	3-10
Motor vehicles	10
Furniture	5-10

The asset's residual values, useful lives and methods are reviewed, and adjusted as appropriate, at each financial year-end. Costs related to running repairs and renewals are charged when incurred and included in other operating expenses, unless they qualify for capitalization.

Leases

Right-of-use assets

The Group recognizes the right-of-use assets at the lease commencement date (i.e., the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost, less accumulated depreciation and accumulated impairment losses, adjusted for revaluation of lease liabilities. The initial cost of the right-of-use assets includes the amount of the recognized lease liabilities, the initial direct costs incurred, and the lease payments made on or before the lease commencement date, less the lease incentive payments received. If the Group does not have sufficient confidence that it will acquire ownership of the leased asset at the end of the lease term, the recognized right-of-use asset is amortised on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. Right-of-use assets are reviewed for impairment.

Lease liabilities

At the lease commencement date, the Group recognizes lease liabilities measured at the present value of lease payments that will be made over the lease term. Lease payments include fixed payments (including substantially fixed payments) less any incentive payments on leases receivable, variable lease payments that depend on an index or rate, and amounts that are expected to be paid under liquidation value guarantees. Lease payments also include the exercise price of the purchase option if there is sufficient confidence that the Group will exercise the option, and the payment of lease termination penalties if the lease term reflects the Group's potential exercise of the lease termination option. Variable lease payments that are independent of the index or the rate are recognized as expenses in the period in which an event or condition occurs that leads to such payments. To calculate the present value of lease payments, the Group uses the weighted average rate of the National Bank of the Republic of Kazakhstan on loans issued or the rate of attraction of additional borrowed funds at the start date of the lease, if the interest rate stipulated in the lease agreement cannot be easily determined.

After the lease commencement date, the amount of the lease liability increases to reflect the accrual of interest and decreases to reflect the lease payments made. In addition, in the event of a modification, a change in the lease term, a change in substantially fixed lease payments, or a change in the valuation of the option to purchase the underlying asset, the carrying amount of the lease liability is revalued.

Short-term leases and leases of low-value assets

The Group applies the recognition exemption for short-term leases to short-term leases (i.e., leases that have a maximum lease term of 12 months at the start of the lease and that do not contain a purchase option). The Group also applies the recognition exemption for leases of low-value assets to office equipment leases. Lease payments for short-term leases and leases of low-value assets are recognized as lease expenses on a straight-line basis over the lease term.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant judgments in determining the lease term in option-to-extend the contracts

The Group defines a lease term as a non-cancellable lease period, together with periods for which an option to extend the lease is available if there is sufficient certainty that it will be exercised, or periods for which an option to terminate the lease is available if there is sufficient certainty that it will not be exercised.

Intangible assets

Intangible assets include software, license agreements, and a trading platform as part of other intangible assets. Intangible assets acquired separately are measured at cost at initial recognition. After initial recognition, intangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

	Useful life, in years
Licenses	2-7
Software	1-10
Other intangible assets	1-10

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made.

Retirement and other employee benefit obligations

The Group does not have any additional pension arrangements separate from the State pension system of the Republic of Kazakhstan, which requires current contributions by the employer calculated as a percentage of current gross salary payments. These expenses are charged in the period the related salaries are earned. The Group has no post-retirement benefits requiring accrual.

Share capital

Share capital

Common shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity.

Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

Dividends

Dividends are recognised as a liability and deducted from equity at the reporting date only if they are approved before or on the reporting date. Dividends are disclosed when they are proposed before the reporting date or proposed or declared after the reporting date but before the consolidated financial statements are authorised for issue.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary assets

Assets held in fiduciary capacity are not reported in the consolidated financial statements, as they are not the assets of the Group. These assets are reflected in off-balance sheet accounts. Accounting for fiduciary assets is consistent with the Group's accounting policy.

Contingent assets and liabilities

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

A contingent liability is recognized in the consolidated financial statements if, as a result of a particular event in the past, the Group has a legal or voluntary obligation, the settlement of which is likely to require an outflow of resources embodying economic benefits, and the amount of the obligation can be measured in monetary terms with a sufficient reliability. Contingent liabilities are disclosed in the consolidated financial statements when it is unlikely that an outflow of resources due to their redemption will occur.

Revenue and expense recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before income is recognized:

Interest and similar income and expense

The Group calculates interest revenue on debt financial assets measured at amortized cost or at FVOCI by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of payments or receipts.

The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as interest revenue or expense.

When a financial asset becomes credit-impaired, the Group calculates interest revenue by applying the effective interest rate to the net amortized cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest revenue on a gross basis.

Revenue

The Group earns income from a diverse range of services it provides to its customers.

Fee and commission income

Commission income obtained for rendering the services during a certain period of time are accrued during this period. These items include commission income and fees.

Fees arising from negotiating or participating in the negotiation of a transaction for a third party – such as where the Group's performance obligation is the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognized on completion of the underlying transaction. Fees or components of fees that are linked to certain performance obligations are recognized after fulfilling the corresponding criteria. When the contract provides for a variable consideration, fee and commission income is only recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur until the uncertainty associated with the variable consideration is subsequently resolved.

Commissions received for the provision of services during a certain period of time are accrued during this period as the relevant duties are fulfilled. Such items include commission income and remuneration for asset management, income from the services of a nominee broker custody and other management and consulting services.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and expense recognition (continued)

Expenses

Expenses are recognised on an accrual basis when the services are provided to the Group.

Foreign currency recalculation

The consolidated financial statements are presented in Kazakhstani tenge, which is the Group's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency market rate at the date of the transaction established by the National Bank of the Republic of Kazakhstan. Monetary assets and liabilities denominated in foreign currencies are retranslated in the functional currency at the official exchange rate established by the Kazakhstan Stock Exchange (hereinafter − the "KASE") and valid at the reporting date. Gains and losses resulting from the translation of foreign currency transactions are recognized in the statement of comprehensive income as gains less losses from foreign currencies − exchange rate differences.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the official exchange rates established by KASE as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the official exchange rates established by KASE at the date when the fair.

Differences between the contractual exchange rate of a transaction in a foreign currency and the market exchange rate on the date of the transaction are included in gains less losses from dealing in foreign currencies.

The market exchange rates as at 31 December 2022 and 2021 were:

Currency	**31 December 2022**	31 December 2021
US Dollar	**462.65**	431.80
Euro	**492.86**	489.10

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. After the entry into force of IFRS (IFRS) 17 will replace IFRS (IFRS) 4 Insurance Contracts (IFRS 4), which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life, non-life, direct insurance and reinsurance), regardless of the type of organizations that issue them, as well as to certain guarantees and financial instruments with discretionary participation functions. Several exceptions to the scope of application will apply. The overall objective of IFRS 17 is to provide an insurance contract accounting model that is more useful and consistent for insurers. Unlike the requirements of IFRS 4, which are largely based on previous local accounting policies, IFRS 17 provides a comprehensive insurance contract model covering all relevant aspects of accounting. IFRS 17 is based on a general model supplemented by the following:

- Certain modifications for insurance contracts with conditions of direct participation (variable remuneration method);
- Simplified approach (premium allocation approach) mainly for short-term contracts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards issued but not yet effective (continued)

IFRS 17 Insurance Contracts (continued)

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact of the amendments on current practices and whether it may be necessary to revise existing loan agreements.

Amendments to IAS 8 – Definition of Accounting Estimates

In February 2021, the IASB published amendments to IAS 8 introducing the definition of accounting estimates. The amendments clarify the difference between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, they explain how organizations use measurement methods and raw data to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, and apply to changes in accounting policies and accounting estimates that occur at the beginning of that period or after that date. Earlier application is allowed until this fact is disclosed. The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Amendments to IAS 1 and Practical Recommendations No. 2 on the Application of IFRS – Disclosure of Information on Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS 2 Practical Statement on Making Judgments on Materiality, which provide recommendations and examples to help organizations apply judgments on materiality to disclosures in accounting policies. The amendments aim to help entities provide more useful information about accounting policies by replacing the requirement for entities to disclose their essential accounting policies with the requirement to disclose their essential accounting policies and adding guidance on how entities apply the concept of materiality when making decisions on disclosure of accounting policies.

Amendments to IAS 1 are applied for annual periods beginning on or after 1 January 2023, with the possibility of early application. Since the amendments to Practical Recommendations No. 2 on the application of IFRS contain optional guidance on the application of the definition of materiality to accounting policy information, it is not necessary to specify the effective date of these amendments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards issued but not yet effective (continued)

Amendments to IAS 12 – Deferred tax relating to Assets and Liabilities arising from a Single Transaction

In May 2021, the Management Board published amendments to IAS 12 that narrow the scope of the exclusion from initial recognition in accordance with IAS 12, so that it no longer applies to transactions that result in equal taxable and deductible temporary differences.

The amendments should apply to transactions that occur at the beginning of the earliest comparative period presented or after that date. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (subject to sufficient taxable profit) and a deferred tax liability should also be recognized in respect of all deductible and taxable temporary differences related to leases and decommissioning obligations.

The Group is currently assessing the impact of these amendments which they may have on the disclosure of information about the Group's accounting policies.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

For application of the Group's accounting policies, management has used its judgments and made estimates in determining the amounts recognized in the consolidated financial statements. The most significant use of judgments and estimates are as follows:

Accounting of an enterprise as an investment organization

Companies that meet the definition of an investment Group under IFRS 10 should measure their subsidiaries at fair value through profit or loss, rather than consolidate them. The criteria that define an investment organization are as follows:

- An organization that receives funds from one or more investors for the purpose of providing investment management services to that investors;
- An organization that makes a commitment to investors that the purpose of its business is to invest funds solely for the purpose of generating value-added income, investment income, or both;
- An entity that evaluates and determines the performance of virtually all of its investments based on their fair value.

The Group's charter documents detail its purpose - to provide investors with investment management services, which include investments in stocks, fixed income securities and private investments with the aim of generating profits in the form of investment income and capital gains.

The Group reports to its investors through quarterly investment information, and to its management through internal management reports based on fair value. All investments are carried at fair value to the extent permitted by IFRS in the Group's consolidated financial statements. The Group has a clearly documented exit strategy for all of its investments.

The Board also concluded that the Group meets the additional characteristics of an investment entity, as it has more than one investment; the Group's ownership interests are primarily in the form of shares; it has more than one investor, and its investors are not related parties. The Management Board concluded that the Group meets the definition of an investment entity. These findings will be constantly reviewed when any of these criteria or characteristics change.

Fair value of financial instruments

Where the fair value of financial assets and financial liabilities as reported in the statement of financial position cannot be determined based on prices in an active market, they are determined using various valuation models, including mathematical models. The inputs for such models are determined based on the observable market, if possible; otherwise, judgment is required to determine fair value.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Expected credit losses

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular, when determining ECLs / impairment losses and assessing a significant increase in credit risk, it is necessary to evaluate the amount and timing of future cash flows and the value of collateral. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- the Group's internal credit grading model, which assigns PDs to the individual grades;
- the Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment;
- development of ECL models, including the various formulae and the choice of inputs;
- identification of the relationships between macroeconomic scenarios and economic data, for example, unemployment rate and collateral value, as well as the impact on the probability of default (PD), the value at risk of default (EAD) and the level of loss in default (LGD);
- selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Lease - estimation of the rate of raising additional borrowed funds.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

Taxation

Kazakhstan currently has a single Tax Code that regulates main taxation matters. The existing taxes include value added tax, corporate income tax, social and other taxes. Implementation of these regulations is often unclear or non-existent and insignificant amount of precedents has been established. Tax declarations, together with other legal compliance areas (as examples, customs and currency control matters) are subject to review and investigation by a number of authorities, which are enabled by law to impose severe fines, penalties and interest charges. These facts create tax risks in Kazakhstan substantially more significant than typically found in countries with more developed tax systems.

Management believes that the Group is in compliance with the tax laws of the Republic of Kazakhstan regulating its operations. However, the risk remains that relevant authorities could take differing positions with regard to interpretive tax issues.

5. CASH AND CASH EQUIVALENTS

As at 31 December 2022 and 2021, cash and cash equivalents are presented as follows:

In thousands of tenge	**31 December 2022**	31 December 2021
Current accounts in Kazakhstani banks	239,294	16,192
Cash on brokerage accounts in Kazakhstan tenge	60,454	–
Cash in brokerage accounts in US dollars	48,459	177,551
Loans provided under reverse repo transactions	46,052	–
Cash on hand	834	156
Current accounts in Kazakhstani banks in foreign currency	23,333	10,857
	418,426	**204,756**

As at 31 December 2022 and 2021, cash and cash equivalents were denominated in the following currencies:

In thousands of tenge	**31 December 2022**	31 December 2021
Tenge	346,634	16,348
US dollar	71,762	188,287
Euro	24	121
Russian ruble	6	–
	418,426	**204,756**

As at 31 December 2022 and 2021, cash and cash equivalents are neither impaired nor past due. As at 31 December 2022, the Group entered into reverse sale and repurchase agreements on KASE. The subject of these agreements are government securities of the Ministry of Finance of the Republic of Kazakhstan, the Kazakhstan Sustainability Fund and the Eurasian Development Bank received as collateral. The fair value of collateral for these transactions as at 31 December 2022 was 43,457 thousand tenge.

6. COMMISSION RECEIVABLES

As at 31 December 2022 and 2021, commission receivables are presented as follows:

In thousands of tenge	**31 December 2022**	31 December 2021
Commission receivable for consulting services	411,980	20,624
Commission receivable for brokerage services	64,921	8,709
Commission receivable for assets management	15,458	25,309
Less: allowance for expected credit losses	(25,444)	(16,024)
	466,915	**38,618**

The commissions receivable were denominated in following currencies:

In thousands of tenge	**31 December 2022**	31 December 2021
US dollar	371,592	24,122
Tenge	95,323	14,496
	466,915	**38,618**

For the years ended 31 December 2022 and 2021, the movement in allowance for expected credit losses on receivables compromised the following:

In thousands of tenge	**2022**	2021
As at 1 January	**(16,024)**	**(346)**
Accrued for the year	(9,420)	(15,678)
As at 31 December	**(25,444)**	**(16,024)**

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 31 December 2022 and 2021, financial assets at fair value through other comprehensive compromised the following:

In thousands of tenge	**31 December 2022**	31 December 2021
Debt securities at fair value through other comprehensive income		
Eurobonds of Kazakhstan financial institutions		
With credit rating from BB- to BB+	5,576	5,576
Eurobonds of Kazakhstan non-financial institutions		
With credit rating from BBB- to BBB+	154,655	287,574
	160,231	**293,150**

Below is an analysis of the changes in gross book value for debt securities at fair value through other comprehensive income:

Debt securities at fair value through other comprehensive income	Stage 1	Total
Gross book value as at 1 January 2021	**257,171**	**257,171**
Purchased assets	69,865	**69,865**
Sale of assets	(10,870)	**(10,870)**
Changes in accrued interest	(1,981)	**(1,981)**
Fair value revaluation	(25,483)	**(25,483)**
Forex gain	4,448	**4,448**
As at 31 December 2021	**293,150**	**293,150**
Purchased assets	12,916	**12,916**
Sale of assets	(134,049)	**(134,049)**
Changes in accrued interest	(3,272)	**(3,272)**
Fair value revaluation	(21,809)	**(21,809)**
Forex loss	13,295	**13,295**
As at 31 December 2022	**160,231**	**160,231**

Fair value revaluation includes changes in allowance for ECL. Below is an analysis of changes in the respective allowance for ECL for debt securities at fair value through other comprehensive income:

Debt securities at fair value through other comprehensive income	Stage 1	Total
Estimated allowance as at 1 January 2021	**(13,621)**	**(13,621)**
Recovery of the reserve	7,531	**7,531**
As at 31 December 2021	**(6,090)**	**(6,090)**
Recovery of the reserve	5,330	**5,330**
As at 31 December 2022	**(760)**	**(760)**

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31 December 2022 and 2021, financial instruments measured at fair value through profit or loss are presented as follows:

In thousands of tenge	**31 December 2022**	31 December 2021
Investments in unconsolidated subsidiaries		
SkyBridge Asset Management Sarl	20,423	20,423
Private company of an open investment type Skybridge Growth and pre-IPO Fund	4,335	–
Open-ended investment company SBI Adamant Fund	4,201	4,201
Foreign companies' equity instruments at fair value through profit or loss		
With credit rating from BBB- to BBB+	–	15,546
Without rating	75,813	517,616
Debt instruments at fair value through profit and loss of Kazakhstani companies		
With credit rating from BB to BB+	110,028	–
With credit rating from BBB- to BBB+	63,673	218,172
	278,473	**775,958**

Credit ratings are presented in accordance with the standards of the Standard and Poor's rating Agency or similar standards of other international rating agencies.

Investments in unconsolidated subsidiaries

Investments in SkyBridge Asset Management Sarl

SkyBridge Asset Management Sarl is registered in the Grand Duchy of Luxembourg. The main activity of SkyBridge Asset Management Sarl is related to the acquisition and participation in any type of investment in any business, as well as the administration, management, and control of the development of these investments. The Group has a 100% stake in the subsidiary and controls the activities of this subsidiary.

In 2020, SkyBridge Asset Management Sarl (hereinafter – General Partner) established an Alternative Investment Fund Sky Adamant Fund (the Fund) together with a private investor (hereinafter – Limited Partner), under a Limited Partnership Agreement (the LPA). This Fund was created to invest in alternative investments, including equity instruments, hedging and cash. As at 31 December 2022, there were no investments by SkyBridge Asset Management Sarl (31 December 2021: investment consisted of cash in bank). The structure has not started its activity.

The nature and extent of the Group's involvement

The Group is a consultant to SkyBridge Asset Management Sarl on the investment management of the Fund.

In turn, the Limited Partner has the right to appoint or withdraw the General Partner if the following conditions are met:

- 75% of the issued shares must be present or represented at the general meeting;
- The decision must be made by a vote of at least 90% of the shares present or represented.

Investments in a private company of open investment type SBI Adamant Fund

SBI Adamant Fund (hereinafter referred to as Adamant Fund), an open-ended investment company, was established and registered in the jurisdiction of the Astana International Financial Center (hereinafter referred to as AIFC) in accordance with the current regulations and rules of the AIFC. Since 2020, the Group has been the management company of Adamant Fund (Note 17).

Investments in a Private Open Investment Company Skybridge Growth and Pre-IPO Fund

Private Public Investment Company Skybridge Growth and Pre-IPO Fund ("Pre-IPO Fund"), a private open investment company, was established and registered under the jurisdiction and AIFC regulations and rules.

9. PROPERTY AND EQUIPMENT

As at 31 December 2022 and 2021, property and equipment are presented as follows:

In thousands of tenge	Vehicles	Machinery and equipment	Other	Right-of-use assets	Total
Initial cost					
At 1 January 2021	**53,141**	**49,896**	**15,513**	**–**	**118,550**
Additions	46,770	1,514	14,356	94,770	**157,410**
Disposals	(22,836)	(440)	(2,784)	–	**(26,060)**
At 31 December 2021	**77,075**	**50,970**	**27,085**	**94,770**	**249,900**
Additions	53,000	5,523	1,226	2,540	**62,289**
Disposals	(13,294)	(6,471)	(3,508)	–	**(23,273)**
At 31 December 2022	**116,781**	**50,022**	**24,803**	**97,310**	**288,916**
Accumulated depreciation					
At 1 January 2021	**(26,951)**	**(32,457)**	**(9,890)**	**–**	**(69,298)**
Charge for the year	(5,487)	(6,752)	(3,375)	(28,431)	**(44,045)**
Disposals	14,463	387	2,542	–	**17,392**
At 31 December 2021	**(17,975)**	**(38,822)**	**(10,723)**	**(28,431)**	**(95,951)**
Charge for the year	(10,659)	(6,155)	(6,050)	(39,684)	**(62,548)**
Disposals	11,078	6,156	3,508	–	**20,742**
At 31 December 2022	**(17,556)**	**(38,821)**	**(13,265)**	**(68,115)**	**(137,757)**
Net book value					
At 31 December 2021	**59,100**	**12,148**	**16,362**	**66,339**	**153,949**
At 31 December 2022	**99,225**	**11,201**	**11,538**	**29,195**	**151,159**

As at 31 December 2022, the value of fully amortized property and equipment in use was 30,354 thousand tenge (31 December 2021: 36,432 thousand tenge).

10. INTANGIBLE ASSETS

As at 31 December 2022 and 2021, intangible assets are presented as follows:

In thousands of tenge	Licenses	Software	Other intangible assets	Total
Initial cost				
At 31 December 2020	**9,826**	**22,891**	**2,527**	**35,244**
Disposal	(3,211)	(6,651)	–	**(9,862)**
Internal transfer	(90)	2,566	(2,476)	–
At 31 December 2021	**6,525**	**18,806**	**51**	**25,382**
Additions	–	17,838	–	**17,838**
At 31 December 2022	**6,525**	**36,644**	**51**	**43,220**
Accumulated depreciation				
At 31 December 2020	**(9,679)**	**(10,189)**	**(51)**	**(19,919)**
Charge for the year	(464)	(3,390)	–	**(3,854)**
Disposal	3,211	6,651	–	**9,862**
Internal transfer	2,636	(2,636)	–	–
At 31 December 2021	**(4,296)**	**(9,564)**	**(51)**	**(13,911)**
Charge for the year	(309)	(2,447)	–	**(2,756)**
At 31 December 2022	**(4,605)**	**(12,011)**	**(51)**	**(16,667)**
Net book value				
At 31 December 2021	**2,229**	**9,242**	**–**	**11,471**
At 31 December 2022	**1,920**	**24,633**	**–**	**26,553**

11. TAXATION

The corporate income tax (hereinafter – "CIT") expenses comprised the following:

In thousands of tenge	2022	2021
Current corporate income tax expense	**23,008**	794
Deferred corporate income tax (benefit)/expense	**(3,643)**	6,045
Corporate income tax expense	**19,365**	**6,839**

The following is a reconciliation between the corporate income tax expense applicable to profit before tax in the Republic of Kazakhstan at the current rate of 20% in 2022 and 2021 and the current CIT expense for the years ended 31 December 2022 and 2021:

	2022	2021
Profit before corporate income tax expense	**32,838**	**108,274**
Statutory tax rate	**20%**	20%
Theoretical income tax expenses at the statutory rate	**6,568**	**21,655**
Non-taxable income from securities listed on KASE at the income accrual dates	**(17,014)**	(31,213)
Non-taxable income from activities in the AIFC	**(7,367)**	(11,932)
Changes in unrecognized tax assets	**15,222**	(10,576)
Non-deductible expenses from activities in the AIFC	**13,843**	13,274
Other non-deductible expenses	**8,113**	25,631
Corporate income tax expense	**19,365**	**6,839**

As at 31 December 2022, outstanding current CIT amounted to 14,287 thousand tenge (31 December 2021: prepayment amounted to 46,927 thousand tenge). During 2022, the Group used prepaid CIT in the amount of 31,900 thousand tenge to pay other taxes.

Deferred corporate income tax assets and liabilities as at 31 December 2022 and 2021 and their movements in the respective years include the following:

In thousands of tenge	31 December 2020	Origination and reversal of temporary differences in the statement of profit and loss	31 December 2021	Origination and reversal of temporary differences in the statement of profit and loss	31 December 2022
Tax effect of deductible temporary differences					
Deferred tax losses	**4,646**	7,073	**11,719**	(11,719)	–
Impairment of available-for-sale securities	**2,000**	–	**2,000**	–	**2,000**
Provision for unused vacations	**4,341**	(1,985)	**2,356**	1,115	**3,471**
Expected credit losses	**69**	3,136	**3,205**	1,884	**5,089**
Lease liabilities	–	13,759	**13,759**	(7,311)	**6,448**
Taxes other than income tax	–	5	**5**	(5)	–
Fixed assets and intangible assets	**482**	(482)	–	–	–
Deferred tax asset	**11,538**	**21,506**	**33,044**	**(16,036)**	**17,008**
Tax effect of deductible temporary differences					
Property and equipment and intangible assets	–	(16,975)	**(16,975)**	4,457	**(12,518)**
Deferred tax liability	–	**(16,975)**	**(16,975)**	**4,457**	**(12,518)**
Unrecognized deferred tax assets	**(4,646)**	(10,576)	**(15,222)**	15,222	–
Net deferred corporate income tax assets	**6,892**	**(6,045)**	**847**	**3,643**	**4,490**

12. LOANS TO RELATED PARTIES

As at 31 December 2022 and 2021, loans to related parties are presented as follows:

In thousands of tenge	Currency	Maturity date	Interest rate	31 December 2022	31 December 2021
SkyBridge Asset Management Sarl	Euro	21.12.2023	0.00%	46,320	29,101
Discount				(605)	(845)
				45,715	**28,256**

On December 21, 2020, the Group issued an interest-free loan to its subsidiary SkyBridge Asset Management Sarl in the amount of 30,000 euro for a period of 3 years. During 2022, the Group disbursed five more tranches to the subsidiary for a total of 34,482 euro maturing on 21 December 2023.

13. OTHER ASSETS

As at 31 December 2022 and 2021, other assets are presented as follows:

In thousands of tenge	31 December 2022	31 December 2021
Advances paid for goods and services	31,073	29,084
Restricted funds on the KASE accounts	14,115	37,092
Deferred expenses	7,571	6,454
Office rental guarantee payments	4,200	4,200
Other assets	4,508	4,190
	61,467	**81,020**

14. SHARE CAPITAL

As at 31 December 2022 and 2021, the Group has 800,000 issued shares, of which 729,798 shares were fully paid by shareholders at a placement price of 1,021 tenge per common share for a total of 744,798 thousand tenge.

In 2022, the Group declared and paid dividends in the amount of 40,000 thousand tenge.

15. LEASE LIABILITIES

	Lease obligation
At 1 January 2021	–
Interest expense	7,277
Additions	94,770
Payments	(33,250)
At 31 December 2021	**68,797**
Interest expense	6,511
Additions	2,540
Payments	(45,607)
At 31 December 2022	**32,241**

16. OTHER LIABILITIES

As at 31 December 2022 and 2021, other liabilities are present as follows:

In thousands of tenge	**31 December 2022**	31 December 2021
Accounts payable	73,429	764
Accrued commission expenses	31,876	3,410
Accrual for unused vacations	18,458	12,669
Taxes payable other than corporate income tax	5,964	1,607
Amounts due to employees	–	64,138
Other liabilities	6,995	152
	136,722	**82,740**

17. FEE AND COMMISSION INOME FROM FIDUCIARY ASSETS

Revenue from contracts with clients

The Group's revenue under contracts with customers is mainly represented by commission income from trust and asset management activities.

Fee and commission income from trust and asset management activities for the years ended 31 December 2022 and 2021 comprised the following:

In thousands of tenge	**2022**	2021
Commission income from third-party asset management	96,811	97,706
Fee and commission income from related party asset management	18,581	27,814
	115,392	**125,520**

In accordance with the contracts for asset management, the Group receives success fees from the actual income received / client remuneration on financial instruments, depending on the type of income received. In accordance with contracts for asset management with other clients, the commission depends on the size of assets under the asset management.

During 2022, the Group entered into an agreement for the management of the investment portfolio with the following Funds: REJSIF Sputnik JSC (hereinafter – REJSIF Sputnik JSC), Joint Equity Fund Risk Investments Closed-End Mutual Fund (hereinafter – RICEMF Joint Equity Fund), OEIC SBI Adamant Fund, Skybridge Talgar Risk Investments Closed-End Mutual Fund (hereinafter – RICEMF Skybridge Talgar), Skybridge Kumbel Risk Investments Closed-End Mutual Fund (hereinafter – RICEMF Skybridge Kumbel), Open-ended Investment Company Kompetenz Invest Open-Ended Investment Company Ltd. (hereinafter – OEIC Kompetenz Invest Open-Ended Investment Company Ltd.), and assets of a legal entity in trust management in the amount of 143,811,282 thousand tenge.

18. INCOME FROM CONSULTNG AND UNDERWRITING SERVICES

Income from consulting and underwriting services for the years ended 31 December 2022 and 2021 is presented as follows:

In thousands of tenge	**2022**	2021
Income from consulting services	502,930	363,521
Income from underwriting services	248,853	–
	751,783	**363,521**

During 2022, the Group entered into advisory and underwriting service agreements with NWF Samruk Kazyna JSC, Mongold Pte. Ltd, SB Investments (FZE). The service fee during 2022 amounted to 215,024 thousand tenge, 138,369 thousand tenge and 231,325 thousand tenge, respectively.

On 26 October 2020, the Group entered into a consulting agreement with Kinton Trade Ltd. The service fee during 2021 amounted to 277,900 thousand tenge.

19. INCOME FROM BROKARAGE AND NOMINAL HOLDER SERVICES

Income from brokerage and nominal holder services for the years ended 31 December 2022 and 2021, is presented as follows:

	2022	2021
Income from nominal holder services	97,885	120,821
Income from brokerage activities	48,522	170,192
	146,407	**291,013**

20. INTEREST INCOME

Interest income for the years ended 31 December 2022 and 2021, is presented as follows:

In thousands of tenge	**2022**	2021
Financial assets at fair value through other comprehensive income	19,864	15,496
Interest income from broker accounts	2,350	588
Reverse repo transactions	543	1,361
Amortization of discount on loans to related parties	240	328
	22,997	**17,773**

21. PERSONNEL EXPENSES

Personnel expenses for the years ended 31 December 2022 and 2021 are presented as follows:

In thousands of tenge	**2022**	2021
Salaries and other benefits	405,115	458,982
Taxes and payroll deductions	41,505	44,327
	446,620	**503,309**

22. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the years ended 31 December 2022 and 2021, comprised the following:

In thousands of tenge	**2022**	2021
Advertisement	78,796	42,335
Informational services	67,540	54,661
Professional services	49,063	36,944
Amortization of right-of-use assets (Note 9)	39,686	28,431
Taxes other than corporate income tax	27,551	27,718
Sponsorship and charitable assistance	19,773	1,500
Travel expenses	16,603	1,259
Maintenance of vehicles	14,464	12,749
Communication services	12,173	10,628
Office maintenance	11,780	20,650
Rent expenses	11,164	9,745
Bank services	3,396	3,858
Membership fee	2,037	2,056
Other	10,913	3,172
	364,939	**255,706**

23. COMMINTMENTS AND CONTINGENCIES

The environment in which the financial and economic activities of the Group are carried out

The economy of the Republic of Kazakhstan continues to show the features inherent in developing countries. Among others, such characteristics include the absence of a freely convertible national currency outside the country and a low level of liquidity of bonds and shares in the markets.

Prospects for the economic stability of the Republic of Kazakhstan substantially depend on the effectiveness of economic measures taken by the Government, as well as the development of the legal, regulatory and political systems that are outside the scope of control of the Group.

The financial condition and future activities of the Group may deteriorate due to continuing economic problems inherent in a developing country.

Management cannot predict either the degree or duration of economic difficulties or assess their impact, if any, on these consolidated financial statements. The Group's management believes that it is taking all the necessary measures to maintain the economic sustainability of the Group in these conditions. However, further deterioration of the situation in the areas described above may adversely affect the results and financial position of the Group. At the present time it is impossible to determine exactly what this influence might be.

Legal actions and Claims

In the ordinary course of business, the Group is subject to legal actions and complaints. The Group believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial position or results of operations of the Group. The Group assesses the likelihood of material liabilities arising from individual circumstances and makes provision in its consolidated financial statements only where it is probable that events giving rise to the liability will occur and the amount of the liability can be reasonably estimated.

24. FINANCIAL RISK MANAGEMENT POLICY

The Group manages risks through an ongoing process of identification, assessment and monitoring, as well as through the establishment of risk limits and other internal control measures. This process of risk management is critical to the Group’s continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk and market risk, the latter being subdivided into currency and interest rate risks and equity price risk. It also subject to operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Group’s strategic planning process.

Risk management structure

The Board of Directors is ultimately responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks.

Board of Directors

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies and principles.

Management Board

The Management Board has the responsibility to monitor the overall risk process within the Group.

Risk management

The Risk Management Unit has the overall responsibility for the development of the risk strategy, implementing and maintaining risk related procedures to ensure an independent control process. This unit is also responsible for monitoring risks associated with the Group’s compliance with risk principles, frameworks, policies and limits.

24. FINANCIAL RISK MANAGEMENT POLICY (CONTINUED)

Risk measurement and reporting systems

The Group's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Group also runs worst case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept. In addition, the Group monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

For all levels throughout the Group, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risks, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Credit risk

Financial assets, which potentially subject the Group to credit risk, consist principally of cash and cash equivalents, amount due from credit institutions and commission receivable, financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. While the Group may be subject to losses in the event of non-performance by its counterparties, the management of the Group does not expect such losses to occur in the selection of counterparties.

In the opinion of management, the maximum amount of credit risk arising from cash and cash equivalents, funds in credit institutions concluded with local banks is equal to the book value of these assets.

Where financial instruments are recorded at fair value, the amounts in the table represent the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

Impairment assessment

The Group calculates ECL based on several probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

24. FINANCIAL RISK MANAGEMENT POLICY (CONTINUED)

Credit risk (continued)

Impairment assessment (continued)

PD	The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.
EAD	The *Exposure at Default* is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
LGD	The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has developed a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Credit quality by classes of financial assets

The table below presents an analysis of the credit quality in terms of asset classes for the credit-related items of the statement of financial position based on the Group's credit rating system.

31 December 2022	**Note**		**Standard grade**	**Sub-standard grade**	**Impaired**	**Total**
Cash and cash equivalents, except for cash on hand	5	Stage 1	417,592	–	–	**417,592**
	6	Stage 1	465,433	–	–	**465,433**
Commission receivable	6	Stage 2	–	1,280		**1,280**
	6	Stage 3	–	–	202	**202**
Financial assets at FVTOCI	7	Stage 1	160,231	–	–	**160,231**
Loans to related parties	12	Stage 1	45,715	–	–	**45,715**
Total			**1,088,971**	**1,280**	**202**	**1,090,453**

31 December 2021	**Note**		**Standard grade**	**Sub-standard grade**	**Impaired**	**Total**
Cash and cash equivalents, except for cash on hand	5	Stage 1	204,600	–	–	**204,600**
	6	Stage 1	24,798	–	–	**24,798**
Commission receivable	6	Stage 2	–	79	–	**79**
	6	Stage 3	–	–	13,741	**13,741**
Financial assets at FVTOCI	7	Stage 1	293,150	–	–	**293,150**
Loans to related parties	12	Stage 1	28,256	–	–	**28,256**
Total			**550,804**	**79**	**13,741**	**564,624**

24. FINANCIAL RISK MANAGEMENT POLICY (CONTINUED)

Geographical concentration

Investment Committee of the Group exercises control over the risk in the legislation and regulatory arena and assesses its influence on the Group's activity. Investment Committee is an advisory body of the Group created and approved by the Management Board, which makes investment decisions in respect of own assets and assets under trust management. This approach allows the Group to minimize potential losses from the investment climate fluctuations in the Republic of Kazakhstan. The financial assets and financial liabilities of the Group are concentrated in the Republic of Kazakhstan.

Liquidity risk and funding management

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis. Also, it manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchanges, and equity prices.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The tables below indicate the currencies to which the Group had significant exposure at 31 December 2022 and 2021 years on its monetary assets and liabilities and its forecast cash flows. The analysis calculates the effect of a reasonably possible movement of the currency rate against the tenge, with all other variables held constant on the statement of comprehensive income. The negative amount in the table reflects a potential net reduction in the income, while a positive amount reflects a net potential increase.

Currency	**Change in exchange rates in % 2022**	**Effect on profit before tax 2022**	**Change in exchange rates in % 2021**	**Effect on profit before tax 2021**
US Dollar	+10.00%	**44,335**	+10.00%	**21,241**
	-10.00%	**(44,335)**	-10.00%	**(21,241)**
Euro	+10.00%	**4,574**	+10.00%	**2,838**
	-10.00%	**(4,574)**	-10.00%	**(2,838)**
Russian ruble	+10.00%	**1**	+10.00%	–
	-10.00%	**(1)**	-10.00%	–

Equity price risk

An analysis of the sensitivity of net profit or loss and equity to changes in securities prices (based on positions in effect as at 31 December 2022 and 2021 and a simplified scenario of a 10% decrease or increase in prices of all securities) can be presented as follows:

	31 December 2022		31 December 2021	
In thousands of tenge	**Profit or loss**	**Equity**	Profit or loss	Equity
10% increase in securities price	**24,951**	**16,023**	75,133	29,315
10% decrease in securities price	**(24,951)**	**(16,023)**	(75,133)	(29,315)

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools to manage the risks. Controls include effective segregation of duties, access rights, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

Procedures of fair value measurement

The Group determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets at fair value through profit or loss and financial assets through other comprehensive income, unquoted derivatives, investment property and for non-recurring measurement, such as assets held for sale.

External valuers are involved for valuation of significant assets, such as properties, financial instruments measured at fair value through profit or loss and at fair value through other comprehensive income. Involvement of external valuators is decided upon annually after discussion with and approval by the Group's audit committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the investment committee verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Together with the external appraisers, the Group also compares each change in fair value of each asset and liability with relevant external sources to determine whether this change is reasonable. The Group and its external appraisers provide the assessment results on a periodic basis to the audit committee and independent auditors of the Group. In addition, main assumptions used during the appraisal are discussed.

Fair value hierarchy

For the purpose of disclosing the fair values, the Group determined classes of assets and liabilities based on the assets and liabilities nature, characteristics and risks as well as the hierarchy of fair value sources.

The Group uses the following hierarchy for determining the fair value of financial instruments and disclosing information about it, depending on the valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: valuation models in which input data relevant to the fair value measurement, belonging to the lowest level of the hierarchy, are directly or indirectly observable in the market.
- Level 3: valuation models in which the inputs relevant to the fair value measurement, belonging to the lowest level of the hierarchy, are not observable in the market.

25. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

In thousands of tenge		Fair value measurement using			
As at 31 December 2022	**Date of valuation**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets at fair value					
Financial assets at FVTPL	31 December 2022	278,473	–	–	**278,473**
Financial assets at FVTOCI	31 December 2022	160,231	–		**160,231**
Assets and liabilities for which fair value is disclosed					
Cash and cash equivalents	31 December 2022	418,426	–	–	**418,426**
Commission receivable	31 December 2022	–	–	466,915	**466,915**
Other liabilities	31 December 2022	–	–	(73,429)	**(73,429)**

In thousands of tenge		Fair value measurement using			
As at 31 December 2021	**Date of valuation**	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets at fair value					
Financial assets at FVTPL	31 December 2021	775,958	–	–	**775,958**
Financial assets at FVTOCI	31 December 2021	293,150	–	–	**293,150**
Assets and liabilities for which fair value is disclosed					
Cash and cash equivalents	31 December 2021	204,756	–	–	**204,756**
Commission receivable	31 December 2021	–	–	38,618	**38,618**
Other liabilities	31 December 2021	–	–	(64,902)	**(64,902)**

Fair value of financial assets and liabilities not carried at fair value

Fair value of financial assets and liabilities not carried at fair value approximates to their carrying amount.

Valuation methods and assumptions

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the consolidated financial statements.

Assets for which fair value approximates carrying value

For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that their fair value approximates to the carrying amount. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

26. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

	2022				2021			
	Within one year	More than one year	Without maturity	Total	Within one year	More than one year	Without maturity	Total
Assets								
Cash and cash equivalents	**418,426**	–	–	**418,426**	204,756	–	–	**204,756**
Commission receivable	**466,915**	–	–	**466,915**	38,618	–	–	**38,618**
Financial assets at fair value through profit or loss	**278,473**	–	–	**278,473**	775,958	–	–	**775,958**
Financial assets at FVTOCI	–	**160,231**	–	**160,231**	–	293,150	–	**293,150**
Plant and equipment	–	–	**151,159**	**151,159**	–	–	153,949	**153,949**
Intangible assets	–	–	**26,553**	**26,553**	–	–	11,471	**11,471**
Deferred CIT assets	–	**4,490**	–	**4,490**	–	847	–	**847**
Current corporate income tax assets	–	–	–	–	46,927	–	–	**46,927**
Loans to related parties	**45,715**	–	–	**45,715**	28,256	–	–	**28,256**
Other assets	**61,467**	–	–	**61,467**	81,020	–	–	**81,020**
Total	**1,270,996**	**164,721**	**177,712**	**1,613,429**	**1,175,535**	**293,997**	**165,420**	**1,634,952**
Liabilities								
Lease liabilities	**32,241**	–	–	**32,241**	39,444	29,353	–	**68,797**
Current CIT liabilities	**14,287**	–	–	**14,287**	–	–	–	–
Other liabilities	**136,722**	–	–	**136,722**	82,740	–	–	**82,740**
Total	**183,250**	–	–	**183,250**	**122,184**	**29,353**	–	**151,537**
Net position	**1,087,746**	**164,721**	**177,712**	**1,430,179**	**1,053,351**	**264,644**	**165,420**	**1,483,415**

27. RELATED PARTY TRANSACTIONS

In accordance with IAS 24 *Related Party Disclosures*, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Related parties may enter transactions which unrelated parties might not. Transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

The nature of the relationship with related parties with which the Group entered into significant transactions or had significant balances as at 31 December 2022 and 2021 is described in detail below.

Loans to a related party

In thousands of tenge	Relationship	31 December 2022	31 December 2021
SkyBridge Asset Management Sarl	Subsidiary company	**46,320**	**29,101**
Total loans to a related party:		**46,320**	**29,101**

Commission receivables

In thousands of tenge	Relationship	31 December 2022	31 December 2021
SBI Adamant Fund OEIC	Subsidiary company	**4,150**	19,099
Individual	Founders of the parent company	**236**	253
Individuals	Company shareholder	1	1,906
Individuals	Key management personnel	1	42
Joint Technologies LLP	Company under common control	–	14
Total commission receivables:		**4,388**	**21,314**

27. RELATED PARTY TRANSACTIONS (CONTINUED)

Income from transactions with related parties

In thousands of tenge	Relationship	2022	2021
SBI Adamant Fund OEIC	Subsidiary	**18,581**	27,814
Individual	Company shareholder	**549**	6,065
Individuals	Parent company founders	**113**	612
Algorithm LLP	Company under common control	**111**	–
Joint Technologies LLP	Company under common control	**72**	345
Individual	Key management personnel	**30**	528
Total income from transactions with related parties:		**19,456**	**35,364**

Related party transaction costs:

In thousands of tenge	Relationship	2022	2021
IE DK - consulting services	Affiliated company	**28,333**	19,119
SB Solutions LLP – rent of premises	Company under common control	**1,240**	41,729
Techtrust Investments LLP	Affiliated company	**900**	–
IQs-Engineering LLP - rent of premises	Company under common control	**–**	937
Total related party transaction costs:		**30,473**	**61,785**

Compensation to key management personnel

In 2022 the key management personnel consisted of eight members (2021: eight members). Below is information on the amount of remuneration to key management personnel:

In thousands of tenge	**2022**	**2021**
Salaries and other payments	**117,009**	155,651
Taxes and payroll deductions	**11,133**	14,397
Total compensation to key management personnel	**128,142**	**170,048**

28. CAPITAL ADEQUACY

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

During 2022, the Group had complied in full of all its capital requirements established by the NBRK.

The main goal of capital management for the Group is to ensure compliance with external capital requirements and maintain a high credit rating and capital adequacy ratios necessary to carry out activities and maximize shareholder value.

The NBRK requires from companies managing the investment portfolio to maintain a capital adequacy ratio of not less than 1. Liquid assets and liabilities calculated in accordance with the NBRK requirements.

As at 31 December 2022 and 2021, the Group's capital adequacy ratio exceeded the regulatory minimum and amounted to:

	2022	**2021**
Liquid assets	**840,460**	977,093
Liabilities	**(183,250)**	(151,537)
Net liquid assets	**657,210**	**825,556**
Minimum capital established by the NBRK	**341,229**	342,446
Capital adequacy ratio	**1.93**	2.41

29. TRUST MANAGEMENT OPERATIONS

The Group provides asset management services to mutual funds and other companies, which implies that the Group makes decisions on allocation of assets received. Assets that are held in a fiduciary capacity are not included in these consolidated financial statements.

Investment decisions regarding the assets of investment funds under management are made by the Management Board of the Group in agreement with the owners of the units of these funds.

The Group receives, as at 31 December 2022 and 2021, mostly a fixed fee for its fiduciary services. This remuneration does not depend on changes in the fair value of assets under management.

On 4 May 2021, the Agency of the Republic of Kazakhstan for regulation and development of financial market made the state registration of the issue of shares of Risk Investments Closed-End Mutual Fund Skybridge Bayankol and Risk Investments Closed-End Mutual Fund “Skybridge Talgar”. Skybridge Bayankol was closed during 2022.

On 4 May 2021, the following funds were registered by the Agency of the Republic of Kazakhstan for regulation and development of financial market - Risk Investments Closed-End Mutual Fund Skybridge Charyn and Risk Investments Closed-End Mutual Fund Skybridge Tuyuk-Su. As at 31 December 2022, no initial placements were made and funds for trust management were not received.

On 28 December 2018, the Group established and on 19 February 2020 registered the Interval Mutual Investment Fund SBI Sustainable. As at 31 December 2022, no initial placements were made and funds for trust management were not received.

On 18 June 2020, the Group was established and on 12 August 2020, the National Bank of the Republic of Kazakhstan made the state registration of the issue of shares of the Closed-End Mutual Investment Fund of Risky Investment SkyBridge Alatau. As at 31 December 2022, there was no initial placement of the fund's shares and no funds were received in trust management.

On 6 October 2021, the Group accepted into management the Open-Ended Investment Company Kompetenz Invest Open-Ended Investment Company Ltd. This Fund was registered on the territory of the Astana International Financial Center.

On 30 November 2021, the Agency of the Republic of Kazakhstan for regulation and development of financial market registered the following funds - Risk Investments Closed-End Mutual Fund Skybridge Karlytau, Risk Investments Closed-End Mutual Fund Skybridge Muztau, Risk Investments Closed-End Mutual Fund Skybridge Alagir and Risk Investments Closed-End Mutual Fund Skybridge Shymbulak. As at 31 December 2022, no initial placements were made and funds for trust management were not received.

On 20 December 2022, the Agency of the Republic of Kazakhstan for regulation and development of financial market registered a closed-end risk investment fund EURO CAPITAL ONE and on 21 June 2022, a closed-end risk investment fund NEF INVEST. As at 31 December 2022, there were no initial placements of fund units and no funds were received for trust management.

As at 31 December 2022 assets held in trust of private legal entities, amounted to 143,811,282 thousand tenge.

As at 31 December 2022, the Group carries out investment portfolio management activities for the following funds:

- Real Estate Joint Stock Investment Fund Sputnik Joint Stock Company;
- Risk Investments Closed-End Mutual Fund Joint Equity Fund;
- Risk Investments Closed-End Mutual Fund Skybridge Bayankol;
- Risk Investments Closed-End Mutual Fund Skybridge Talgar;
- Risk Investments Closed-End Mutual Fund Skybridge Kumbel;
- Open-Ended Investment Company Kompetenz Invest Open-Ended Investment Company Ltd.;
- Open-Ended Investment Company SBI Adamant Fund (Note 1).

ASSETS STATEMENT OF REJSIF SPUTNIK JSC UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**40,303**	80,858
Investment property	**7,609,297**	6,835,319
Receivables under reverse repo operations	–	91,197
Other assets	**28,478**	446,056
Total assets available to the fund	**7,678,078**	**7,453,430**
Liabilities		
Loans received	**438,853**	427,827
Liabilities to the management company and the custodian	**121,210**	220,357
Total liabilities	**560,063**	**648,184**
Net assets value available to the fund	**7,118,015**	**6,805,246**

PROFIT OR LOSS STATEMENT ON ASSETS OF REJSIF SPUTNIK JSC UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Rental income	**1,366,474**	802,695
Income from repo operations	**6,293**	7,814
Net revaluation income	**134,856**	208,178
Commission expenses	**(17,700)**	(6,000)
Interest expense on loans	**(58,686)**	(12,040)
Other expenses	**(5,468)**	(5,481)
Net income for the year	**1,425,769**	**995,166**

STATEMENT OF CHANGES IN THE NET ASSETS OF REJSIF SPUTNIK UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Net assets of the fund transferred to management as at 1 January	**6,805,246**	6,792,080
Asset receipts for management	–	90,000
Net income for the year	**1,425,769**	995,166
Withdrawal of the client's assets	**(263,000)**	(420,000)
Distribution of dividends to shareholders	**(850,000)**	(652,000)
Total changes in the fund's net assets during the year	**312,769**	**13,166**
Net assets of the fund transferred to management as at 31 December	**7,118,015**	**6,805,246**

ASSETS STATEMENT OF RICEMF SKYBRIDGE KHAN TENGRI UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

Due to the redemption of the shares during 2021 and the closure of RICEMF Skybridge Khan Tengri, there are no reports on the assets of this fund for the reporting dates, profit or loss statement and statement changes in assets for 2022.

PROFIT OR LOSS STATEMENT FOR ASSETS OF RICEMF SKYBRIDGE KHAN TENGRI UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2021

In thousands of tenge	2021
Income from dividends	1,825,383
Income from revaluation of securities through profit and loss	28,090,213
Expenses from revaluation of securities through profit and loss	(5,940,617)
Income from the purchase and sale of securities	76,395
Commission expenses	(5,301)
Other expenses	(11,927)
Net income for the year	**24,034,146**

STATEMENT OF CHANGES IN NET ASSETS OF RICEMF SKYBRIDGE KHAN TENGRI UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2021

In thousands of tenge	2021
Net assets of the fund transferred to management as at 1 January	**49,207,230**
Net income for the year	24,034,146
Distribution of dividends to shareholders	(38,398,327)
Withdrawal of the client's assets	(34,843,049)
Total changes in the fund's net assets during the year	**(49,207,230)**
Net assets of the fund transferred to management as at 31 December	**–**

ASSETS STATEMENT OF RICEMF JOINT EQUITY FUND UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**77,219**	71,112
Receivables under reverse repo operations	**394,776**	355,914
Total assets available to the fund	**471,995**	**427,026**
Liabilities		
Other liabilities	**718**	564
Total liabilities	**718**	**564**
Net assets value available to the fund	**471,277**	**426,462**

PROFIT OR LOSS STATEMENT ON THE ASSETS OF RICEMF JOINT EQUITY FUND UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Income from repo operations	**46,804**	19,817
Revaluation gains	**5,033**	1,776
Commission expenses	**(7,021)**	(5,664)
Other expenses	**(1)**	(619)
Net income for the period	**44,815**	**15,310**

STATEMENT OF CHANGES IN NET ASSETS OF RICEMF JOINT EQUITY FUND UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Net assets of the fund transferred to management as at 1 January	**426,462**	**411,152**
Net income for the period	**44,815**	15,310
Total changes in net assets for the period	**44,815**	**15,310**
Net assets of the fund transferred to management as at 31 December	**471,277**	**426,462**

ASSETS STATEMENT OF THE OEIC SBI ADAMANT FUND UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**1,392,117**	395,466
Financial assets at fair value through profit or loss	**260,522**	1,363,691
Total assets available to the fund	**1,652,639**	**1,759,157**
Liabilities		
Accounts payable	**4,146**	19,170
Other liabilities	**2**	47
Total liabilities	**4,148**	**19,217**
Net assets available to the fund	**1,648,491**	**1,739,940**

PROFIT OR LOSS STATEMENT ON THE ASSETS OF THE OEIC SBI ADAMANT FUND, UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Income in the form of dividends on shares	**4,939**	5,564
Expenses from the purchase and sale of securities	**(20,997)**	(25,329)
Commission expense	**(18,581)**	(27,814)
Revaluation (expense)/income	**(183,303)**	225,997
Other income/(expenses)	**678**	(1,419)
Net (expenses)/income for the period	**(217,264)**	**176,999**

STATEMENT OF CHANGES IN THE NET ASSETS OF THE OEIC SBI ADAMANT FUND UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Net assets of the fund transferred to management as at 1 January	**1,739,940**	**840,190**
Asset receipts for management	**457,591**	811,870
Withdrawal of the client's assets	**(331,777)**	176,999
Net (expense)/income for the period	**(217,264)**	(89,119)
Total changes in net assets for the period	**(91,450)**	**899,750**
Net assets of the fund transferred to management as at 31 December	**1,648,490**	**1,739,940**

ASSETS STATEMENT OF RICEMF SKYBRIDGE BAYANKOL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

In 2022, in connection with the closure of RICEMF Bayankol, all assets were transferred and all liabilities to shareholders were repaid and RICEMF Bayankol was closed.

As at 31 December 2022

In thousands of tenge	31 December 2021
Assets	
Cash and cash equivalents	25,291
Financial assets at fair value through profit or loss	43,557,825
Total assets available to the fund	**43,583,116**
Liabilities	
Accounts payable	2,856
Total liabilities	**2,856**
Net assets value available to the fund	**43,580,260**

PROFIT OR LOSS STATEMENT FOR ASSETS OF RICEMF SKYBRIDGE BAYANKOL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the period from 1 January 2022 to 13 December 2022, closing date

In thousands of tenge	**Period from 1 January 2022 to 13 December 2022, closing date**	Period from 4 May 2021, the origination date, to 31 December 2021
Interest income from securities	**1,156,723**	326,717
Revaluation gain	**5,827,098**	611,258
Commission expenses	**(22,765)**	(23,800)
Other expenses	**(7,480)**	(4,078)
Net income for the period	**6,953,576**	**910,097**

STATEMENT OF CHANGES IN NET ASSETS OF RICEMF SKYBRIDGE BAYANKOL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the period from 1 January 2022 to 13 December 2022, closing date

In thousands of tenge	**Period from 1 January 2022 to 13 December 2022, closing date**	Period from 4 May 2021, the origination date, to 31 December 2021
Net assets of the fund transferred to management as at January 1	**43,580,260**	–
Proceeds from the placement of securities	–	42,670,163
Net income for the period	**6,953,576**	910,097
Redeemed investment fund units	**(7,757,454)**	–
Withdrawal of assets by clients on account of repayment of shares	**(42,776,382)**	–
Total changes in the fund's net assets during the period	**(43,580,260)**	**43,580,260**
Net assets of the fund transferred to management as at 31 December	–	**43,580,260**

ASSETS STATEMENT OF RICEMF SKYBRIDGE TALGAR UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

In 2022, assets in the amount of 283,195,220 thousand tenge were withdrawn due to the closure of the Closed Mutual Investment Fund of Risky Investment SkyBridge Talgar. The closing process as at 31 December 2022 has not been completed.

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**313,878**	375,611
Financial assets at fair value through profit or loss	**–**	257,673,934
Total assets available to the fund	**313,878**	**258,049,545**
Liabilities		
Accounts payable	**6,803**	7,109
Total liabilities	**6,803**	7,109
Net assets value available to the fund	**307,075**	**258,042,436**

PROFIT OR LOSS STATEMENT FOR ASSETS OF RICEMF SKYBRIDGE TALGAR UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	**Period from 4 May 2021, origination date, to 31 December 2021**
Revaluation gain	**17,961,217**	3,354,731
Income/(expenses) in the form of remuneration (coupon and/or discount) on securities	**5,870,012**	(5,870,015)
Net loss from operations with financial assets at fair value through profit or loss	**–**	(1,562,750)
Commission expenses	**(23,871)**	(31,161)
Other income/(expenses)	**1,652,501**	(23,212)
Net income /(loss) for the period	**25,459,859**	**(4,132,407)**

STATEMENT OF CHANGES IN NET ASSETS OF RICEMF SKYBRIDGE TALGAR UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	**Period from 4 May 2021, origination date, to 31 December 2021**
Net assets of the fund transferred to management as at 1 January	**258,042,436**	–
Proceeds from the placement of securities	**–**	262,174,843
Net income/(loss) for the period	**25,459,859**	(4,132,407)
Redeemed investment fund shares	**(283,195,220)**	–
Total changes in the fund's net assets during the period	**(257,735,361)**	**258,042,436**
Net assets of the fund transferred to management as at 31 December	**307,075**	**258,042,436**

ASSETS STATEMENT OF RICEMF SKYBRIDGE KUMBEL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**1,616,747**	10,280,036
Equity securities at fair value through profit or loss	**20,662,957**	11,070,908
Receivables under reverse repo operations	**1,605,819**	10,025
Total assets available to the fund	**23,885,523**	**21,360,969**
Liabilities		
Other liabilities	**1,607,277**	1,609
Total liabilities	**1,607,277**	**1,609**
Net assets value available to the fund	**22,278,246**	**21,359,360**

PROFIT OR LOSS STATEMENT FOR ASSETS OF RICEMF SKYBRIDGE KUMBEL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Net (expense)/income from the purchase and sale of foreign currency	**(407,888)**	43,798
Interest income from deposits	**6,402**	12,938
Revaluation income/(loss)	**1,308,294**	(122,193)
Provision on expected credit losses	**–**	(27,764)
Commission expenses	**(12,000)**	(24,935)
Other income/(expenses)	**24,079**	(4,081)
Net income/(loss) for the year	**918,886**	**(122,237)**

STATEMENT OF CHANGES IN NET ASSETS OF RICEMF SKYBRIDGE KUMBEL UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	2021
Net assets of the fund transferred to management as at 1 January	**21,359,360**	–
Proceeds from the placement of securities	**–**	21,481,597
Net income/(loss) for the year	**918,886**	(122,237)
Total changes in the fund's net assets during the year	**918,886**	**21,359,360**
Net assets of the fund transferred to management as at 31 December	**22,278,246**	**21,359,360**

ASSETS STATEMENT OF THE OEIC KOMPETENZ INVEST OPEN-ENDED INVESTMENT COMPANY LTD. UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

As at 31 December 2022

In thousands of tenge	**31 December 2022**	31 December 2021
Assets		
Cash and cash equivalents	**26,807**	43,351
Financial assets at fair value through profit or loss	**210,829**	247,645
Other assets	**213**	56
Total assets available to the fund	**237,849**	**291,052**
Liabilities		
Other liabilities	**278**	130
Total liabilities	**278**	**130**
Net assets available to the fund	**237,571**	**290,922**

PROFIT OR LOSS STATEMENT ON THE ASSETS OF THE OEIC KOMPETENZ INVEST OPEN-ENDED INVESTMENT COMPANY LTD. UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	Period from 3 June 2021 to 31 December 2021
Income in the form of dividends on shares	**4,979**	490
Revaluation expense	**(64,662)**	(6,800)
Expenses from the purchase and sale of securities	**(244)**	(985)
Fee and commission expense	**(3,932)**	(363)
Other income/(expenses)	**10,508**	(1,596)
Net expenses for the period	**(53,351)**	**(9,254)**

STATEMENT OF CHANGES IN THE NET ASSETS OF OEIC KOMPETENZ INVEST OPEN-ENDED INVESTMENT COMPANY LTD. UNDER THE MANAGEMENT OF SKYBRIDGE INVEST JSC

For the year ended 31 December 2022

In thousands of tenge	**2022**	Period from 3 June 2021 to 31 December 2021
Net assets of the fund transferred to management as at 1 January	**290,922**	–
Asset receipts for management	**–**	300,176
Net expenses for the period	**(53,351)**	(9,254)
Total changes in net assets for the period	**(53,351)**	**290,922**
Net assets of the fund transferred to management as at 31 December	**237,571**	**290,922**