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**MOI Insurance Broker LLP**

Financial statements  
for the year ended  
December 31, 2021



**Content**

*Management confirmation of responsibility for the preparation and approval of financial statements for the year ended December 31, 2021*

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*Management confirmation of responsibility for the preparation and approval of financial statements for the year ended December 31, 2021*

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The following statement is made to distinguish the responsibilities of the auditors and management with respect to the financial statements of MOI Insurance Broker LLP (hereinafter – the Company) and should be read in conjunction with the description of the auditors' responsibilities contained in the Independent Auditor's Report presented.

The management of the Company is responsible for the preparation of these financial statements that present fairly the financial position of the Company on December 31, 2021, in all material respects, and the results of its operations, cash flows and changes in equity for the period then ended, in accordance with International Financial Reporting Standards (IFRS).

In preparing the financial statements, the management is responsible for:

- ensuring the right choice and application of accounting policies;
- presentation of information, incl. data on accounting policies in a form that ensures the relevance, reliability, comparability and comprehensibility of such information;
- disclosure of additional information in cases where compliance with IFRS is not sufficient for users to understand the financial statements of the impact that certain transactions, as well as other events or conditions, have on the financial position and financial performance of the Company;
- assessment of the Company's ability to continue operations in the foreseeable future.

The management is also responsible for:

- development, implementation and maintenance of an effective and reliable system of internal control of the Company;
- maintaining records in a form that allows you to disclose and explain the transactions of the Company, as well as provide at any date information of sufficient accuracy about the financial position of the Company and ensure that financial statements comply with IFRS;
- accounting in accordance with the legislation of the Republic of Kazakhstan and IFRS;
- taking all reasonably possible measures to ensure the safety of the assets of the Company; and
- identification and prevention of facts of financial and other abuses.

These financial statements of the Company for the year ended December 31, 2021 were approved for issue on **March 31, 2022.**

On behalf of the management of MOI Insurance Broker LLP:



Kassymkanova Gaukhar Amantayevna  
Managing Director

Almaty, Republic of Kazakhstan

A handwritten signature in blue ink, consisting of stylized loops and strokes.

Turlybekova Dinara Orymbayevna  
Chief Accountant



## INDEPENDENT AUDITOR'S REPORT

To the founders of MOI Insurance Broker LLP

### Opinion

We conducted an audit of the attached financial statements of MOI Insurance Broker LLP (hereinafter – the Company), which includes statement of financial position on December 31, 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year ended December 31, 2021, as well as a review of material aspects of accounting policies and other notes to the financial statements (hereinafter – the financial statements).

In our opinion, the financial statements in all material respects provide reliable and objective information about the financial position of the Company on December 31, 2021, as well as expenses incurred cash flows and changes in equity for the year ended on the date of preparation of these financial statements in accordance with International Financial Reporting Standards (IFRS).

### The basis for the expression of opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described further in the "Auditor's Responsibility for the Audit of the Financial Statements" section of our report.

We are independent of MOI Insurance Broker LLP in accordance with the Code of Ethics of Professional Accountants of the Council on International Ethics Standards for Accountants (CIESA Code), and we have fulfilled other ethical obligations in accordance with the CIESA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to warrant the expression of our opinion.

### Responsibilities of management for the preparation of financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS and for the internal control system that management considers necessary to prepare financial statements that are free from material misstatement due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of the Company to continue to operate continuously, for disclosing, as appropriate, information related to business continuity, and for preparing statements based on the going concern assumption, unless management intends to liquidate the Company, terminate its activity or when it does not have any other real alternative, except liquidation or termination of activity.

Those responsible for corporate governance are responsible for overseeing the preparation of the financial statements of the Company.

### Responsibilities of the auditor for the audit of financial statements

Our goal is to obtain reasonable assurance that the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion.

Reasonable assurance represents a high degree of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always reveal material misstatement, if any. Misstatements may be the result of fraud or error and are considered material if it can reasonably be assumed that, individually or collectively, it may affect the economic decisions of users based on these financial statements.

We apply professional judgment and maintain professional skepticism throughout the audit as part of the audit conducted in accordance with the International Auditing Standards. In addition, we do the following:

- we identify and assess the risks of material misstatement of the financial statements due to fraud or error; We develop and conduct audit procedures in response to these risks; We obtain audit evidence that is sufficient and appropriate to serve as the basis for our opinion. The risk of not detecting material misstatement as a result of fraud is higher than the risk of not detecting material misstatement as a result of an error, as fraud can include conspiracy, forgery, intentional omission, misrepresentation of information or actions that bypass the internal control system;
- we gain an understanding of the internal control system that is relevant to the audit, with the aim of developing audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control system;
- we evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by management;



- we conclude that it is legitimate for management to apply the going concern assumption, and based on the audit evidence obtained, it concludes that there is significant uncertainty in connection with events or conditions that could result in significant doubts about the Company's ability to continue its business. If we conclude that there is material uncertainty, we must draw attention in our audit report to the appropriate disclosures in the financial statements or, if such disclosures are inappropriate, to modify our opinion. Our findings are based on audit evidence obtained prior to the date of our audit opinion. However, future events or conditions may cause the Company to lose its ability to continue to operate continuously;
- we evaluate the presentation of the financial statements as a whole, its structure and content, including disclosure of information, as well as whether the financial statements represent the underlying operations and events in such a way that their reliable presentation is ensured.

We carry out informational interaction with persons responsible for corporate governance, bringing to their attention, among other things, information about the planned volume and timing of the audit, significant observations on the results of the audit, as well as significant shortcomings of the internal control system that we identify during the audit.

  
  
 Shyngysbek Sartayev  
 Audit Partner  
 IAC Russell Bedford A+ Partners LLP

The qualification certificate of the auditor No.MF-0000297 dated November 9, 2015.

  
  
 Sholpanay Kudaibergenova  
 General Director / Auditor  
 IAC Russell Bedford A+ Partners LLP

State license for engaging in audit activities in the Republic of Kazakhstan No. 18013076, issued by the Committee of Internal State Audit of the Ministry of Finance of the Republic of Kazakhstan on July 3, 2018.

**March 31, 2022**  
 Almaty, Republic of Kazakhstan



*MOI Insurance Broker LLP*  
*Statement of profit or loss and other comprehensive income for the year ended December 31, 2021*  
*in thousands of Kazakhstani tenge*

Name	Note	2021	2020
Income from brokerage activity	6	656 999	422 798
Financing income	7	3 995	4 208
Net income (expenses) from foreign currency translation (net)	8	(6 314)	70 452
Other operational income (expenses), net	9	17 846	(5 148)
<b>Total operational profit</b>		<b>672 526</b>	<b>492 310</b>
Expenses for payment of commissions on insurance activity	10	(177 451)	(26 454)
Expenses associated with the payment of interest on loans received	11	(8 185)	-
General and administrative expenses	12	(369 093)	(250 617)
<b>Total operational losses</b>		<b>(554 729)</b>	<b>(277 071)</b>
<b>Profit before tax</b>		<b>117 797</b>	<b>215 239</b>
Withholding tax expenses	13	(26 523)	(43 996)
<b>Profit for the year</b>		<b>91 274</b>	<b>171 243</b>
<b>Other comprehensive income</b>			
Revaluation of property, plant and equipment		-	5 114
Withholding tax recognized directly in other comprehensive income	13	-	(271)
<b>Total other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>4 843</b>
<b>Total comprehensive income for the year</b>		<b>91 274</b>	<b>176 086</b>

The financial statements set forth on pages from 3 to 30 were approved by management on March 31, 2022, and signed on behalf of management:



**Kassymkanova Gaukhar Amantayevna**  
**Managing Director**

**Turlybekova Dinara Orymbayevna**  
**Chief Accountant**



The statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages from 7 to 30.



MOI Insurance Broker LLP  
Statement of financial position on December 31, 2021  
in thousands of Kazakhstani tenge

Name	Note	December 31, 2021	December 31, 2020
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	14	2 046	1 036
Other short-term financial assets	15	121 237	152 304
Short-term trade and other receivables	16	857 474	362 644
Inventories	17	1 267	1 632
Other current assets	18	95 334	14 435
<b>Total current assets</b>		<b>1 077 358</b>	<b>532 051</b>
<b>Non-current assets</b>			
Other long-term financial assets	15	108 205	192 537
Investment in a foreign subsidiary	19	54 080	54 080
Property, plant and equipment	20	262 622	112 993
Intangible assets	20	3 909	4 621
<b>Total non-current assets</b>		<b>428 816</b>	<b>364 231</b>
<b>Total assets</b>		<b>1 506 174</b>	<b>896 282</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Short-term trade and other payables	21	743 769	287 620
Short-term provisions	22	13 515	9 048
Current portion of long-term financial liabilities	25	30 549	-
Accrued interest on loans received	25	979	-
Short-term accounts payable on dividends and income of participants	26	120 000	-
Current corporate withholding tax liabilities	13	21 378	41 667
Employee benefits	23	2 293	2 184
Other current liabilities	24	6 471	5 635
<b>Total current liabilities</b>		<b>938 954</b>	<b>346 154</b>
<b>Non-current liabilities</b>			
Deferred tax liability	13	15 373	10 857
Long-term bank loans	25	41 302	-
<b>Total non-current liabilities</b>		<b>56 675</b>	<b>10 857</b>
<b>Total liabilities</b>		<b>995 629</b>	<b>357 011</b>
<b>Equity</b>			
Authorized capital	26	10 000	10 000
Reserve	26	21 504	21 504
Retained earnings	26	479 041	507 767
<b>Total equity</b>		<b>510 545</b>	<b>539 271</b>
<b>Total equity and liabilities</b>		<b>1 506 174</b>	<b>896 282</b>

The financial statements set forth on pages from 3 to 30 were approved by management on March 31, 2022, and signed on behalf of management:



**Kassymkanova Gaukhar Amantayevna**  
Managing Director

**Turlybekova Dinara Orymbayevna**  
Chief Accountant



The statement of financial position is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages from 7 to 30.

*MOI Insurance Broker LLP*  
*Statement of changes in equity for the year ended December 31, 2021*  
*in thousands of Kazakhstani tenge*

Name	Authorized capital	Revaluation reserve of property, plant and equipment	Retained earnings	Total
<b>On January 1, 2020</b>	<b>10 000</b>	<b>16 661</b>	<b>378 524</b>	<b>405 185</b>
Profit for the period	-	-	171 243	171 243
Increase from revaluation of property, plant and equipment (net of tax effect)	-	4 843	-	4 843
<b>Total comprehensive income</b>	-	<b>4 843</b>	<b>171 243</b>	<b>176 086</b>
Dividends	-	-	(42 000)	(42 000)
<b>On December 31, 2020</b>	<b>10 000</b>	<b>21 504</b>	<b>507 767</b>	<b>539 271</b>
<b>On January 1, 2021</b>	<b>10 000</b>	<b>21 504</b>	<b>507 767</b>	<b>539 271</b>
Profit for the period	-	-	91 274	91 274
Increase from revaluation of property, plant and equipment (net of tax effect)	-	-	-	-
<b>Total comprehensive income</b>	-	-	<b>91 274</b>	<b>91 274</b>
Dividends	-	-	(120 000)	(120 000)
<b>On December 31, 2021</b>	<b>10 000</b>	<b>21 504</b>	<b>479 041</b>	<b>510 545</b>

The financial statements set forth on pages from 3 to 30 were approved by management on March 31, 2022, and signed on behalf of management:



**Kassymkanova Gaukhar Amantayevna**  
**Managing Director**

**Turlybekova Dinara Orymbayevna**  
**Chief Accountant**



The statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the financial statements set out on pages from 7 to 30.



## 1 Reporting company

### (a) Conditions for business activities in Kazakhstan

The activity of the MOI Insurance Broker Limited Liability Partnership (hereinafter – the Company) is mainly carried out in Kazakhstan. Accordingly, the business of the Company is influenced by the economy and financial markets of Kazakhstan, which have the peculiarities of the developing market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan. The devaluation of the Kazakhstani tenge, volatility in oil prices on global markets and the pandemic coronavirus infection also increase the level of uncertainty in the environment in which businesses operate.

The financial statements reflect management's assessment of the impact of the Kazakhstan business environment on the operations and the financial position of the Company. The actual impact of the future business environment may differ from management's assessment.

### (b) Organizational structure and activities

The Company was established and registered with the Department of Justice of Medeu District of the Department of Justice of Almaty on July 8, 2005. The last re-registration date was December 30, 2021. Re-registration was carried out due to the change in the composition of the members.

The Company is registered as a taxpayer in the Tax Committee of Almaty in the Medeu district. Taxpayer Certificate - Series 60 No. 0096816 confirms state registration as a taxpayer since July 11, 2005,

BIN 050740002486.

The last controlling party for the Company is an individual citizen of the Republic of Kazakhstan Kassymkanova G.A.

Information about members on December 31, 2019 and 2020:

Member	Shares of participation, in %	
	December 31, 2021	December 31, 2020
Kassymkanova Gaukhar Amantayevna	65	40
GEORGE YARD INVESTMENT LIMITED	-	25
Smanov Yerbol Yergenovich	25	25
Turlybekova Dinara Orymbayevna	10	10
<b>Total</b>	<b>100</b>	<b>100</b>

GEORGE YARD INVESTMENT LIMITED is registered in Great Britain, registration certificate No. 4929116 was issued at the registry of companies in Cardiff on October 10, 2003. Kassymkanova G.A. purchased a 25% share from GEORGE YARD INVESTMENT LIMITED in the reporting period.

The management bodies of the Company are:

- the supreme body - the General Meeting of Members;
- the sole executive body - the Managing Director;
- supervisory body - the Auditing Committee or the Auditor.

### Main activities

The main activity of the Company is brokerage and intermediary activities in the field of insurance and reinsurance. The Company operates under license No. 2.3.33 for the right to carry out activities





of an insurance broker to conclude insurance and reinsurance contracts, issued by the National Bank of the Republic of Kazakhstan on February 8, 2019.

Legal and actual address: 050059, Republic of Kazakhstan, Almaty, Medeu district, N. Nazarbayev avenue, house 248.

The Company opened the subsidiary MOI Insurance Brokers Asia LLC in the Republic of Uzbekistan based on the decision of the meeting of members dated November 12, 2018.

Location is the Republic of Uzbekistan, index 100059 Tashkent, Akkassaray district, 35, Jambul street.

The average annual numbers of employees of the Company were 25 people on December 31, 2021 and 20 people on December 31, 2020.

## **2 Basis of accounting**

### **(a) Statement of compliance with IFRS**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

### **(b) Functional and reporting currency**

The national currency of the Republic of Kazakhstan is the Kazakhstani tenge (hereinafter – tenge), which is the Company's functional currency and the currency in which these financial statements are presented. All figures presented in tenge are rounded to the (nearest) thousand, unless otherwise stated.

## **3. Use of estimates and professional judgments**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Assumptions and the resulting estimates are reviewed regularly to determine whether changes are required. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## **4. Key accounting policy**

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

### **Foreign currency**

Transactions in foreign currencies are translated to the functional currency at the exchange rate ruling at the respective reporting date. Income or loss from foreign exchange on the settlement of such transactions and on the translation of monetary assets and liabilities denominated in foreign currencies into the functional currency of the Company at the reporting date are recognized in the statement of profit or loss and other comprehensive income for the year. Translation at year-end exchange rates does not apply to non-monetary items measured at historical cost.

Non-monetary items measured at fair value in foreign currency are translated using the exchange rates at the time the fair value was determined including equity investments. The effect of exchange





rate differences on non-monetary items measured at fair value in a foreign currency is recorded as part of the income or expense on revaluation at fair value.

The following official exchange rates were used to prepare the separate financial statements set by the National Bank of the Republic of Kazakhstan:

	December 31, 2021	December 31, 2020
US dollar	431,8	420,91
Euro	489,1	516,79
100 Uzbekistani soms	3,99	4,02

### ***Cash***

Cash includes cash in banks and on hand and short-term deposits on demand or with maturities of less than three months. All non-cash monetary transactions are carried out through authorized banks.

Cash with a restriction on withdrawal of more than three months is included in other short-term or long-term assets.

The statement of cash flows is generated using the indirect method.

### ***Time deposits***

Time deposits include the deposits with maturities over three months. Such deposits are classified as current and non-current financial assets.

### ***Financial instruments***

Financial assets and financial liabilities are recognized when the Company becomes the party to the contractual relationship of the related financial instrument.

Financial assets and financial liabilities are initially measured at fair value.

Operational expenses directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss), respectively, increase or decrease the fair value of financial assets or financial liabilities on initial recognition.

Operational expenses directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged directly to profit or loss.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy described below based on the lowest inputs that are material to the overall fair value measurement:

- Level 1 – Quoted market prices (unadjusted) in active markets for identical assets or liabilities (without any adjustments).
- Level 2 – Inputs than quoted prices in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).



## **Subsequent classification**

### ***Financial assets***

Financial assets are classified as financial assets at amortized cost (debt instruments) or as financial assets at fair value for the purposes of the subsequent classification.

#### ***Financial assets measured at amortized cost (debt instruments)***

The Company measures financial assets at amortized cost if the following conditions are met:

- the financial asset is held within a business model whose purpose is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost are subsequently measured using the effective interest method and impairment requirements are applied. Profits or losses are recognized in profit or loss when it is derecognized, modified or impaired.

The Company classifies trade and other receivables and amounts due from credit institutions (bank deposits, cash and cash equivalents) to the category of financial assets measured at amortized cost.

#### ***Financial assets at fair value through profit or loss***

The category of financial assets at fair value through profit or loss includes financial assets held for sale that are classified at the discretion of the Company at initial recognition as at fair value through profit or loss.

Financial assets for which cash flows are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model used.

#### ***Financial assets at fair value through other comprehensive income***

The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model, the purpose of which is both to collect contractual cash flows and to sell financial assets; and
- the contractual terms of the financial asset give rise to cash flows on specified dates that are solely payments of principal and interest on the principal outstanding.

The Company has no financial assets of this category on the reporting date.

### ***Derecognition***

Derecognition of financial assets is performed when the Company loses control over the rights under the contract for this asset. This situation occurs when the rights are realized, transferred, or become invalid. Derecognition of financial liabilities is carried out in the event of its redemption.

### ***Financial liabilities***

The Company classifies financial liabilities into other financial liabilities. Other financial liabilities include trade and other payables.

Trade payables and other short-term cash liabilities are carried at cost, which is the fair value of the amount due in the future for the goods or services received, regardless of whether the Company has been invoiced or not.





The subsequent assessment depends on their classification. Debt securities, loans received, trade and other payables after initial recognition are measured at amortized cost using the effective interest method. Gains and losses on such financial liabilities are recognized in profit or loss when they are derecognized and amortized using the effective interest rate.

The Company derecognizes a financial liability at the moment when its obligations under the relevant contract cease or expire or expire.

If an existing financial liability is replaced by another liability to the same lender, on materially different terms, or if the terms of the existing liability are significantly changed, the replacement or changes are accounted for as derecognition of the original liability and the initiation of a new liability, and the difference in their carrying amount is recognized in profit or loss.

### ***Property, plant and equipment***

Items of property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment, except for buildings and office premises, which are carried at revalued amounts and are carried at fair value less accumulated depreciation and impairment losses.

The Company conducts an annual assessment of the office space. Any increase in the value of property, plant and equipment is charged directly to equity included in the revaluation reserve for property, plant and equipment; any decrease in the value of a property, plant and equipment is offset against the previous measurement for the related asset and then included in profit or loss. The asset revaluation reserve is transferred to retained earnings when the asset is derecognized.

The management assesses whether there is any indication that property, plant and equipment is impaired at the end of each reporting period. If any indication of impairment exists, management estimates its recoverable amount, which is determined as the higher of the asset's fair value less costs to sell and its value in use.

The carrying amount is reduced to recoverable amount and the impairment loss is recognized in profit or loss for the year. An impairment loss recognized for an asset in prior periods is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell.

Profits and losses on disposal, determined by comparing the amount of revenue with the carrying amount, are recognized in profit or loss for the year (as part of other operational income or expenses).

### ***Depreciation***

Depreciation is charged and recognized in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of the individual assets.

The carrying amount of an asset is the estimated amount that the Company would currently receive if the asset were sold, less the estimated costs of disposal, if the condition and age of the asset were consistent with the age and condition that the asset would have at the end of its useful life. The estimated useful lives and the depreciation method are assessed at the end of each reporting period and any changes in valuation are accounted for prospectively. The carrying amount of an asset is nil if the Company intends to use the assets until the end of their physical life.



Depreciation is charged over the following average useful lives of the assets:

	Useful life (years)
Lands	Unlimited time
Buildings	50
Machinery and equipment	10
Computers	4
Copy-duplicating equipment	5
Furniture	15
Other property, plant and equipment	10

#### ***Intangible assets***

Intangible assets are carried at cost. Acquisition costs of intangible assets are capitalized and amortized on a straight-line basis over their useful lives.

The Company assesses whether there is any indication that an intangible asset may be impaired at each date of the separate financial statements. If any such indication is identified, the Company estimates the recoverable amount of the assets.

Amortization of other intangible assets is calculated based on the period of their use. The term of use is 3-10 years.

#### ***Inventories***

Inventories at the time of receipt are reflected at cost, which includes all actually incurred necessary costs for their acquisition (creation).

Inventories are written off on a weighted average basis and carried at the lower of cost and possible net realizable value.

Potential net realizable value is the estimated selling price in the ordinary course of business, less potential costs to complete or bring to completion and potential selling expenses.

#### ***Investment in the subsidiary***

The Company's investment in a subsidiary is carried at historical cost in these separate financial statements.

The carrying amount of the investment in a subsidiary carried at cost is not subject to subsequent adjustment for changes in fair value in the separate financial statements, but is tested for impairment in subsequent periods.

#### ***Taxation***

Withholding tax is the amount of current and deferred tax.

##### ***Current tax***

The current tax payable is based on taxable profit. Taxable profit differs from profit recognized in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible for tax purposes in other reporting periods. And it does not include items that are not taxable or deductible for tax purposes. The Company's current tax liability is calculated using tax rates that were enacted by law prior to the end of the reporting period.





### *Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities recognized in the separate financial statements and the related tax bases used in calculating taxable profit. Deferred tax liabilities are generally recorded on the basis of all taxable temporary differences. Deferred tax assets are carried on net of all deductible temporary differences provided it is probable that future taxable profit will be available to utilize the temporary differences. The carrying amount of deferred tax assets is revised at the end of each reporting period and is reduced if it is no longer probable that future taxable profit sufficient for full or partial use of these assets is probable.

Deferred withholding tax assets and liabilities are calculated using tax rates and tax laws that have been or are effectively enacted by law at the reporting date and are expected to be in effect during the period when the tax asset is realized or the liability is settled, respectively. The measurement of deferred tax assets and liabilities reflects the tax implications of the Company's expectations at the reporting date on how to recover or settle the carrying amounts of assets and liabilities.

### *Other taxes and contributions*

There are a number of taxes and payments in the Republic of Kazakhstan related to the Company's operating activities in addition to withholding tax. These taxes are included in administrative expenses in the statement of profit or loss and other comprehensive income of the Company for the reporting year.

### *Authorized capital*

The authorized capital consists of participation interests minus the founders' debts for contributions to the authorized capital. The authorized capital is recognized at the historical cost of the funds received or paid.

### *Recognition of income and expenses*

Income and expenses are recognized by the Company on an accrual basis.

The Company's income consists of commission fees for the provision of insurance broker services for the conclusion of insurance (reinsurance) contracts during the entire period of the contracts, transactions in non-core activities and other income from both administrative and economic and investment activities.

Income is recognized in the statement of profit or loss and other comprehensive income if there is an increase in future economic benefit associated with an increase in the asset or a decrease in liabilities that can be measured reliably. This means that the recognition of income occurs simultaneously with the recognition of an increase in an asset or a decrease in a liability.

Expense is recognized in the statement of profit or loss and other comprehensive income if there is a decrease in future economic benefit associated with a decrease in an asset or an increase in a liability that can be measured reliably. This means that the recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets (for example, payroll accruals).

Expense is recognized in the statement of profit or loss and other comprehensive income if the costs do not generate large future economic benefits, or when the future economic benefits do not meet or cease to meet the requirements for recognition as an asset in the separate statement of financial position.



### ***Commission income***

The Company earns commission income from various types of services it provides to its customers. The commission income can be divided into the following two categories:

#### ***Commission income earned for the provision of services over a period of time***

Commissions earned for the provision of services over a period of time are calculated over that period.

#### ***Commission income from transactions***

Commissions earned for conducting or negotiating a transaction on behalf of a third party, such as insurance and reinsurance brokerage, are recognized upon completion of the transaction. Commissions, or a portion of commissions linked to specific performance indicators, are recognized when the relevant criteria are met.

### ***Insurance premiums payable to reinsurers***

The reinsurance premium is paid by the reinsurer through an insurance broker under the terms of reinsurance contracts. The insurance broker is obliged to transfer to the reinsurer within three working days after the receipt of the reinsurance premium on the account. The reinsurance premium is received at the same time as the brokerage commission. Reinsurance premiums are reflected in separate accounts of the Company in the accounting, as well as in separate bank accounts of the Company.

### ***Personnel expenses and related contributions***

Short-term employee benefits include items such as:

- employee wages and social security contributions;
- annual paid leave, paid sick leave;
- remuneration in non-cash form (medical insurance, rent of parking lots).

The Company pays wages to its employees in accordance with the established labor remuneration system and makes compulsory contributions to the Unified Accumulation Pension Fund on behalf of its employees in accordance with the pension legislation of the Republic of Kazakhstan.

Compulsory contributions to the Unified Accumulative Pension Fund and individual withholding tax expense are withheld from employee wages and are recognized in the statement of profit or loss and other comprehensive income as wages.

The Company does not have any pension agreements other than the state pension program of the Republic of Kazakhstan, which requires the employer to deduct 10% of the total wages.

The Company makes social tax and social security contributions, compulsory social health insurance for its employees to the relevant authorities of the Republic of Kazakhstan.

### ***Balances and transactions with related parties***

Parties are considered to be related if one of them has the ability to control or exercise significant influence over the operating and financial decisions of the other party as defined in IAS 24 Related Party Disclosures in these separate financial statements. The content of the relationship between the parties is taken into account, and not just their legal form when deciding whether the parties are related.





### ***Events after the reporting date***

Events, both favorable and unfavorable, which occur between the reporting date and the date of approval of the separate financial statements and which have or may have an impact on the financial position, cash flows or results of operations of the Company.

### ***Provisions, contingent liabilities and contingent assets***

Provisions are liabilities of uncertain timing or amount and are recognized when:

- the Company has a present obligation (legal or imputed) as a result of a past event;
- it is likely that there will be a need for some kind of outflow of resources to fulfill this obligation;
- the amount of the liability can be measured reliably.

The contingent liability is a present liability that arises from past events, but is not recognized because it is not probable that the need for an outflow of resources to meet the liability will arise, or the amount of the liability cannot be estimated with sufficient reliability.

The contingent liabilities are not recognized, but disclosed, unless the possibility of an outflow of resources is remote.

The contingent assets are not recognized in the separate financial statements, but disclosed when it is probable that economic benefits will flow.

### ***The scope of significant management estimates and sources of uncertainty***

The preparation of the Company's separate financial statements requires management to make estimates that affect the reported amounts of assets and liabilities at the reporting date, as well as income and expenses during the period ended. Management regularly evaluates its estimates and judgments based on estimates and judgments based on historical experience and various factors that are believed to be reasonable in the circumstances.

The following estimates and judgments are considered important to the portrayal of the Company's financial position.

#### ***Provision***

The Company creates a provision for unused employee vacations as an additional cash amount that the Company is expected to pay to the employee for unused paid absences from work accumulated at the end of the reporting period. This provision should be reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

#### ***Useful life of property, plant and equipment and intangible assets***

The estimated useful lives of property, plant and equipment and intangible assets, carrying amount and depreciation methods are reviewed annually to reflect the effects of changes in estimates on a prospective basis.

#### ***Fair value measurement and its procedures***

The Company measures buildings at revalued amounts and financial liabilities at fair values.

The Company uses, to the extent possible, observable market data in measuring the fair value of an asset or a liability. Fair value measurements are categorized into different levels of the fair value hierarchy depending on the inputs used in the respective valuation techniques:





- Level 1: quoted (unadjusted) prices for identical assets and liabilities in active markets.
- Level 2: inputs other than quoted prices used for Level 1 estimates that are observable either directly (i.e. such as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for assets and liabilities that are not based on observable market data (unobservable inputs).

The Company engages third party qualified appraisers in the absence of Level 1 inputs.

The methods of measurement and inputs used to determine the fair value of buildings are disclosed in Note 20.

#### *Taxes*

There is a risk of additional future tax liabilities as a result of the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. In the normal course of business, there are many transactions and calculations for which the tax amounts cannot be conclusively determined. As a result, the Company recognizes its tax liabilities based on estimates of whether additional taxes, penalties and interest will be due. These tax liabilities are recognized if the Company believes that certain tax return items may be challenged or will not be fully confirmed by examination by the tax authorities, even though the Company believes that the tax return items are properly substantiated. The Company believes that its accrued tax liabilities are correct for all years open to examination and are based on an evaluation of many factors, including past experience and interpretations of tax law. This estimate is based on estimates and assumptions and may include a number of complex judgments about future events. To the extent that the ultimate tax consequences of these matters differ from the amounts presented, such differences will impact the tax expense in the period in which such tax liabilities are assessed.

#### *Impairment of assets*

The Company assesses whether there is any indication of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there is evidence that the carrying amount may not be recoverable. Management estimates the expected future cash flows from the asset or cash generating unit and selects an appropriate discount rate to calculate the present value of those cash flows when value in use calculations are made.

#### *Assessment of the impact of deferred withholding tax*

The management of the Company determines the future impact of deferred withholding tax by reconciling the carrying amounts of assets and liabilities presented in the separate financial statements with the relevant tax base at each reporting date. Deferred assets and liabilities are measured at tax rates applicable to the period in which the assets are expected to be realized and the liabilities settled. Deferred tax assets are recognized on the basis that it is probable that sufficient taxable profit will exist in the future from which temporary differences can be deducted for tax purposes. Deferred tax assets are measured at each reporting date and are reduced to the extent that it is not probable that the related tax benefits will be realized.





## **5 New standards and interpretations not yet adopted for use**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2021, with early adoption permitted. However, the Company did not early-adopt the new and amended standards in the preparation of these financial statements.

The following amendments to standards and interpretations are not expected to have a significant impact on the Company's financial statements:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16 Interest Rate Benchmark Reform – Phase II
- Amendments to 16 Covid-19-Related Rent Concessions beyond June 30, 2021

## **Standards that have been issued but have not yet entered into force**

The following new standards, amendments and interpretations have been issued but are not yet effective up to the date of issuance of the Company's financial statements. The Company intends to adopt these standards, amendments and interpretations, if applicable, when they become effective.

- IFRS 17 Insurance Contracts
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IFRS 3 Business Combinations – References to Conceptual Framework
- Amendments to IAS 16 Property, Plant and Equipment – Proceeds before Intended Use
- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract
- Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a First-time Adopter of International Financial Reporting Standards
- Amendment to IFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities
- Amendment to IAS 41 Agriculture – Taxation in Fair Value Measurements
- Amendments to IAS 8 Definition of Accounting Estimates
- Amendments to IAS 1 and Practice Statement No. 2 on the Application of IFRS – Disclosure of Accounting Policies

The Company is currently assessing the impact these amendments may have on the Company's accounting policy disclosures.



## 6. Income from brokerage activity

Income from brokerage activity includes:

in thousands of Kazakhstani tenge	2021	2020
Income from reinsurance brokerage activity	457 251	333 190
Income from insurance brokerage activity	20 262	6 727
Income for pool administration	130 011	-
Other income from brokerage activities	3 995	-
Income from consulting services on insurance and reinsurance	45 480	82 881
<b>Total</b>	<b>656 999</b>	<b>422 798</b>

## 7. Financing income

Financing income is presented as follows:

in thousands of Kazakhstani tenge	2021	2020
Interest income on time deposits	3 995	4 208
<b>Total</b>	<b>3 995</b>	<b>4 208</b>

## 8. Net income (expenses) from foreign currency translation

in thousands of Kazakhstani tenge	2021	2020
Income from exchange rate differences	23 390	130 699
Expenses from exchange rate differences	(29 704)	(60 247)
<b>Total</b>	<b>(6 314)</b>	<b>70 452</b>

## 9. Other operational income (expenses), net

in thousands of Kazakhstani tenge	2021	2020
<b>Other income</b>		
Income from purchase and sale of foreign currency	35 016	23 520
Other income	-	200
Income from (accrual)/recovery of discount	1 440	-
<b>Other expenses</b>		
Expenses from purchase and sale of foreign currency	(12 966)	(28 825)
Other expenses	(20)	(43)
Expenses from (accrual)/recovery of discount	(5 624)	-
<b>Other income (expenses), net</b>	<b>17 846</b>	<b>(5 148)</b>

## 10. Expenses for payment of commissions on insurance activity

in thousands of Kazakhstani tenge	2021	2020
Reinsurance brokerage services	(177 451)	(26 454)
<b>Total</b>	<b>(177 451)</b>	<b>(26 454)</b>





### 11. Expenses associated with the payment of interest on loans received

in thousands of Kazakhstani tenge	2021	2020
Expenses associated with the payment of interest on loans received	(8 185)	-
<b>Total</b>	<b>(8 185)</b>	<b>-</b>

### 12. General and administrative expenses

in thousands of Kazakhstani tenge	2021	2020
Wages expenses	(214 844)	(199 275)
Transfer of the client portfolio	(75 000)	-
Current taxes and obligatory payments to the budget	(22 588)	(20 335)
Expenses for creation of provision for unused vacation	(14 183)	248
Depreciation of property, plant and equipment and amortization of intangible assets	(6 732)	(4 540)
Expenses for auditing, consulting and information services	(6 330)	(4 613)
Lease and utility expenses	(5 905)	(2 699)
Bank services	(5 367)	(4 273)
Expenses for inventory materials, including fuels and lubricants	(3 516)	(2 876)
Travel expenses	(2 921)	(533)
Expenses for maintenance of computer equipment	(2 131)	(2 141)
Repair expenses, operational expenses	(1 850)	(502)
Postage and courier expenses	(1 491)	(1 149)
Membership fees	(1 356)	(1 201)
Insurance expenses	(758)	(817)
Other	(4 121)	(5 911)
<b>Total</b>	<b>(369 093)</b>	<b>(250 617)</b>

### 13. Withholding tax expenses

#### (a) Amounts recognized in profit or loss

The tax rate applicable to the Company is 20% and represents the withholding tax rate for Kazakhstani companies (in 2020: 20%).

in thousands of Kazakhstani tenge	2021	2020
<b>Current withholding tax</b>		
Reporting year	(22 007)	(42 254)
Changes in past tax assessments	-	-
<b>Deferred withholding tax</b>		
Change in the amount of recognized deductible temporary differences due to write-off or reversal of deferred tax assets	(4 516)	(1 742)
<b>Total withholding tax expenses</b>	<b>(26 523)</b>	<b>(43 996)</b>



(b) Reconciliation of the effective tax rate:

in thousands of Kazakhstani tenge	2021	2020
<b>Profit before tax</b>	<b>117 797</b>	<b>215 239</b>
Withholding tax calculated at the applicable rate	23 559	43 048
Changes in past tax assessments	-	-
Non-taxable income from recovery of valuation reserve for losses	-	-
The difference between the balance method and statement of profit or loss and other comprehensive income	-	-
Other non-taxable income/(non-deductible expenses)	2 964	948
	<b>(26 523)</b>	<b>(43 996)</b>

Temporary differences that arise between the values of assets and liabilities reported in the financial statements and the amounts used for tax base purposes result in deferred tax assets on December 31, 2021 and 2020.

Deferred withholding tax for 2021 relates to the following items:

in thousands of Kazakhstani tenge	December 31, 2021	December 31, 2020	On profit or loss	On revaluation reserve
<b>Tax effect of taxable temporary differences:</b>				
Provision for unused vacations	(2 703)	(1 809)	(894)	-
Property, plant and equipment	16 217	11 644	4 573	-
Loans/discounts	837		837	-
Revaluation of office building	1 022	1 022		-
<b>Net deferred tax asset (liability)</b>	<b>15 373</b>	<b>10 857</b>	<b>4 516</b>	<b>-</b>

Deferred withholding tax for 2020 relates to the following items:

in thousands of Kazakhstani tenge	December 31, 2020	December 31, 2019	On profit or loss	On revaluation reserve
<b>Tax effect of taxable temporary differences:</b>				
Provision for unused vacations	(1 809)	(1 859)	50	-
Property, plant and equipment and intangible assets	11 644	9 952	1 692	-
Revaluation of office building	1 022	751	-	271
<b>Net deferred tax asset (liability)</b>	<b>10 857</b>	<b>8 844</b>	<b>1 742</b>	<b>271</b>

14. Cash and cash equivalents

in thousands of Kazakhstani tenge  
Current bank accounts  
- with a credit rating from BBB- to BB+

December 31, 2021	December 31, 2020
2 046	1 036
2 046	1 036
2 046	1 036





These ratings are presented by reference to the Standard and Poor's rating scale or an equivalent credit rating. No items of cash and cash equivalents are past due.

#### 15. Other short-term and long-term financial assets

in thousands of Kazakhstani tenge	December 31, 2021	December 31, 2020
Short-term deposits placed in second-tier banks	121 237	152 304
<b>Total short-term financial assets</b>	<b>121 237</b>	<b>152 304</b>
Long-term savings accounts	108 205	192 537
<b>Total long-term financial assets</b>	<b>108 205</b>	<b>192 537</b>

in thousands of Kazakhstani tenge	Rating agency	Credit rating	December 31, 2021	December 31, 2020
<b>Short-term financial assets</b>				
Bank Center Credit JSC	Standard&Poor's	B stable	121 237	152 304
<b>Long-term financial assets</b>				
Bank Center Credit JSC	Standard&Poor's	B stable	108 205	192 537

#### 16. Trade and other receivables

in thousands of Kazakhstani tenge	December 31, 2021	December 31, 2020
Insurance premiums receivable from reinsured	366 904	275 453
Accrued commission income of insurance brokers on reinsurance contracts	40 207	86 155
Insurance premiums receivable from insured	370 298	-
Claims to reinsurers	1 041	-
Other receivables from brokerage activities	78 168	-
Short-term interest receivable on term deposits	470	661
Accrued commission income of insurance brokers on insurance contracts	374	-
Other receivables from brokerage services	12	-
Loans issued to employees	-	375
<b>Total</b>	<b>857 474</b>	<b>362 644</b>

Short-term trade and other receivables are presented in the following currencies:

in thousands of Kazakhstani tenge	December 31, 2021	December 31, 2020
US dollar	32 710	28 398
Pound	56	-
Tenge	824 708	334 246
<b>Total</b>	<b>857 474</b>	<b>362 644</b>

The Company provided brokerage of reinsurance contracts on behalf of cedents and collected reinsurance premiums from cedents and retrocedents for their subsequent transfer to reinsurers and retrocessionaires in 2021 and 2020.

The amount of reinsurance premiums payable by MOI Insurance Broker LLP to the accounts of reinsurers and retrocessionaries amounted to 366 905 thousand tenge on December 31, 2021 (on December 31, 2020: 274 374 thousand tenge).



## 17. Inventories

in thousands of Kazakhstani tenge

	December 31, 2021	December 31, 2020
Inventories	1 267	1 632
<b>Total</b>	<b>1 267</b>	<b>1 632</b>

The inventories of the Company are represented in the form of office supplies and household goods.

## 18. Other current assets

in thousands of Kazakhstani tenge

	December 31, 2021	December 31, 2020
Advances paid for services performed	90 876	13 554
Advances paid for delivery of inventories	3 298	339
Debt for return of inventories	217	-
<b>Future expenses</b>	<b>542</b>	<b>387</b>
including:		
<i>Insurance premiums paid to insurance organizations</i>	291	273
<i>Other future expenses</i>	251	114
<b>Current tax assets</b>	<b>401</b>	<b>154</b>
including:		
<i>Social tax</i>	-	1
<i>Land tax</i>	1	1
<i>Property tax</i>	188	-
<i>Withholding tax from non-residents</i>	211	152
<i>Other taxes and payments to the budget</i>	1	1
<b>Total</b>	<b>95 334</b>	<b>14 435</b>

Other current assets are represented by the following currencies:

	December 31, 2021	December 31, 2020
in thousands of Kazakhstani tenge		
US dollar	18 666	11 478
Tenge	76 668	2 957
<b>Total</b>	<b>95 745</b>	<b>14 435</b>

## 19. Investment in a foreign subsidiary

The Company opened the subsidiary MOI Insurance Brokers Asia LLC in the Republic of Uzbekistan based on the decision of the meeting of members dated November 12, 2018.

Location is the Republic of Uzbekistan, index 100059 Tashkent, Akkassaray district, 35, Jambul street.

Total authorized capital is 160,000 thousand Uzbekistani soms. The share of the Company in the authorized capital of subsidiary is 95% (152,000 thousand Uzbekistani soms), which amounted to 7,321 thousand tenge at the moment of contribution of funds to the authorized capital. The





Company carried out impairment test of investment in foreign subsidiary, no signs of impairment were detected.

Decision was made to increase the authorized capital of MOI Insurance Brokers Asia LLC from the amount of 160 000 thousand Uzbekistani soms to 1 350 000 thousand Uzbekistani soms according to the minutes of the extraordinary General Meeting of Members dated January 26, 2020. The Company's share in MOI Insurance Brokers Asia LLC is 99.41% on December 31, 2020 (1 342 000 thousand Uzbekistani soms or 54 080 thousand tenge) due to the increase in the authorized capital.

## 20. Property, plant and equipment

### a) Property, plant and equipment

The Company applies the revaluation model for buildings and office premises, and the actual cost model for other property, plant and equipment in accordance with the accounting policy.

in thousands of Kazakhstani tenge	Buildings and constructions	Land	Other property, plant and equipment	Total
<b>Initial cost</b>				
Balance on January 1, 2021	202 485	120	20 072	222 677
Receipts	128 168	-	27 480	155 648
Revaluation	-	-	-	-
Write-off	-	-	(7 661)	(7 661)
<b>Balance on December 31, 2021</b>	<b>330 653</b>	<b>120</b>	<b>39 891</b>	<b>370 664</b>
<b>Accumulated depreciation</b>				
Balance on January 1, 2021	98 063	-	11 621	109 684
Depreciation for the year	3 358	-	2 661	6 019
Revaluation	-	-	-	-
Write-off of accumulated depreciation	-	-	(7 661)	(7 661)
<b>Balance on December 31, 2021</b>	<b>101 421</b>	<b>-</b>	<b>6 621</b>	<b>108 042</b>
<b>Initial cost</b>				
Balance on January 1, 2020	192 568	120	18 670	211 358
Receipts	-	-	7 233	7 233
Revaluation	9 917	-	-	9 917
Disposals	-	-	(5 831)	(5 831)
<b>Balance on December 31, 2020</b>	<b>202 485</b>	<b>120</b>	<b>20 072</b>	<b>222 677</b>
<b>Accumulated depreciation</b>				
Balance on January 1, 2020	91 132	-	15 798	106 930
Depreciation for the year	2 128	-	1 654	3 782
Revaluation	4 803	-	-	4 803
Write-off of accumulated depreciation	-	-	(5 831)	(5 831)
<b>Balance on December 31, 2020</b>	<b>98 063</b>	<b>-</b>	<b>11 621</b>	<b>109 684</b>
<b>Carrying amount on December 31, 2021</b>	<b>229 232</b>	<b>120</b>	<b>33 270</b>	<b>262 622</b>
<b>December 31, 2020</b>	<b>104 422</b>	<b>120</b>	<b>8 451</b>	<b>112 993</b>



The Company attracted an accredited independent appraiser Independent Expert Appraisal LLP, the Certificate of state registration of a legal entity 3273-1910-01-TOO dated November 27, 2012, the State license to engage in property appraisal activities No. 12019892 dated December 26, 2012 to measure the fair value of property, plant and equipment.

The Company has revalued property, plant and equipment for its own purposes on December 15, 2020. The fair value of the office building was determined by the comparative method using market data on prices of recent transactions with similar property. The revaluation surplus for 2020 amounted to 5,114 thousand tenge, the result of revaluation was credited to equity in the reserve, net of tax effect.

The Company did not perform any revaluation of property, plant and equipment for the year 2021.

The revaluation amount increased proportionately to the cost and accumulated depreciation at the date of the revaluation. The inputs for determining the fair value of property, plant and equipment are level 3 in the fair value hierarchy (unobservable inputs).

There are no property, plant and equipment pledged as security for liabilities on December 31, 2021 and 2020. The historical cost of fully depreciated, but in use property, plant and equipment is 8 872 thousand tenge on December 31, 2021 (on December 31, 2020 – 8 300 thousand tenge).

The Company did not identify any signs of possible asset impairment during the reporting period.

b) Intangible assets

The availability and movement of intangible assets are shown in the table below:

in thousands of Kazakhstani tenge	Software
<b>Initial cost</b>	
Balance on January 1, 2020	8 045
Receipts	-
Write-off	(438)
<b>On December 31, 2020</b>	<b>7 607</b>
Receipts	-
Write-off	-
<b>On December 31, 2021</b>	<b>7 607</b>
<b>Accumulated amortization</b>	
Balance on January 1, 2020	2 666
Accrual	758
Write-off of accumulated amortization	(438)
<b>On December 31, 2020</b>	<b>2 986</b>
Accrual	712
Write-off of accumulated amortization	-
<b>On December 31, 2021</b>	<b>3 698</b>
<b>Carrying amount</b>	
<b>On December 31, 2021</b>	<b>3 909</b>
<b>On December 31, 2020</b>	<b>4 621</b>

The total cost of amortized but still in use intangible assets is 482 thousand tenge on December 31, 2021 (on December 31, 2020 - 482 thousand tenge).





## 21. Short-term trade and other payables

Accounts payable on December 31 include:

	December 31, 2021	December 31, 2020
in thousands of Kazakhstani tenge		
Payables to reinsurers	366 905	274 374
Settlements with reinsurers	1 041	-
Settlements with insurers	370 298	-
Settlements with insurance (reinsurance) intermediaries	4 969	12 236
Trade payables to third parties	556	1 010
<b>Total</b>	<b>743 769</b>	<b>287 620</b>

Short-term trade and other payables are presented in the following currencies:

	December 31, 2021	December 31, 2020
in thousands of Kazakhstani tenge		
Euro	4 969	12 236
US dollar	23 709	25 532
Tenge	715 091	249 852
<b>Total</b>	<b>743 769</b>	<b>287 620</b>

## 22. Short-term provisions

in thousands of Kazakhstani tenge  
Liabilities for unused vacations of employees  
**Total**

	December 31, 2021	December 31, 2020
	13 515	9 048
	<b>13 515</b>	<b>9 048</b>

The movements in estimated liabilities are presented as follows:

	2021	2020
in thousands of Kazakhstani tenge		
<b>Balance at the beginning of period</b>	<b>9 048</b>	<b>9 296</b>
Accrued for the reporting period	14 183	-
Used	(9 716)	-
Adjustment of the provision	-	(248)
<b>Balance at the end of period</b>	<b>13 515</b>	<b>9 048</b>



### 23. Employee benefits

in thousands of Kazakhstani tenge

	December 31, 2021	December 31, 2020
Employee benefits	2 293	2 184
<b>Total</b>	<b>2 293</b>	<b>2 184</b>

The employee benefits debt is current.

### 24. Other current liabilities

	December 31, 2021	December 31, 2020
in thousands of Kazakhstani tenge		
Taxes payable other than withholding tax	4 024	3 350
Social insurance liabilities	-	182
Social medical insurance payments liabilities	-	5
Social medical insurance contributions liabilities	-	2
Pension payment liabilities	2 447	2 096
<b>Total</b>	<b>6 471</b>	<b>5 635</b>

### 25. Financial liabilities

	December 31, 2021	December 31, 2020
in thousands of Kazakhstani tenge		
<b>Current portion of long-term financial liabilities</b>		
Current portion of long-term financial liabilities	30 549	-
Accrued interest on loans received	979	-
<b>Long-term bank loans</b>		
Long-term bank loans	41 302	-

### 26. Equity

#### (a) Authorized capital

The authorized capital was 10 000 thousand tenge on December 31, 2021 and December 31, 2020.

#### (b) Retained earnings

The movements in retained earnings are presented as follows:

	2021	2020
in thousands of Kazakhstani tenge		
<b>Balance at the beginning of the year</b>	<b>507 767</b>	<b>378 524</b>
Retained earnings of the current year	91 274	171 243
Dividends	(120 000)	(42 000)
<b>Balance at the end of the year</b>	<b>479 041</b>	<b>507 767</b>

#### (c) Dividends

The Company has declared the dividends of 120 000 thousand tenge for the year ended December 31, 2020 (2020: 42 000 thousand tenge for the year ended December 31, 2019) in accordance with Minutes of the General Meeting of Members No. 7 dated December 30, 2021.



The movement on payment and accrual of dividends:

in thousands of Kazakhstani tenge	2021	2020
Accrued	120 000	42 000
Withholding tax at source	-	(1 575)
Paid	-	(40 425)
<b>Balance at the end</b>	<b>120 000</b>	<b>-</b>

**(d) Reserve for changes in fair value**

The reserve for changes in fair value reflects the net change in fair value of equity investments classified at their own discretion into the fair value through other comprehensive income category.

**27. Fair value and risk management**

**Reporting classification and fair value**

The main financial liabilities of the Company include trade and other payables. The Company has trade and other receivables, cash and other financial assets that arise directly from its operations. The Company is exposed to market, credit and liquidity risks.

**Market risk** is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in future market prices. The market prices include the following risks: interest rate risk, currency risk.

**Currency risk** is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to currency risk in respect of receivables, settlements with reinsurers and cash in banks denominated in currencies other than tenge.

The carrying amounts of the Company's monetary assets and monetary liabilities denominated in foreign currencies are as follows:

in thousands of Kazakhstani tenge	Assets		Liabilities	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Euro	-	-	4 969	12 236
US dollar	206 335	232 413	23 709	25 532
Pounds sterling	56	-	-	-
<b>Total</b>	<b>206 391</b>	<b>232 413</b>	<b>28 678</b>	<b>37 768</b>

**The analysis of sensitivity to foreign exchange risk**

The following table presents the analysis of the sensitivity of the Company's profit before tax to possible changes in the exchange rate between the euro and the US dollar, assuming other parameters remain unchanged.



in thousands of  
Kazakhstani  
tenge

	December 31, 2021		December 31, 2020	
Currency	Change in the exchange rate in %	Impact on profit before tax	Change in the exchange rate in %	Impact on profit before tax
Euro	10%	(497)	10%	1 224
	-10%	497	-10%	(1 224)
US dollar	10%	18 263	10%	20 688
	-10%	(18 263)	-10%	(20 688)
Pounds sterling	10%	6	10%	-
	-10%	(6)	-10%	-

### Financial risk management

The use of financial instruments exposes the Company to the following types of risk:

- credit risk;
- liquidity risk;
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for assessing and managing those risks. Additional quantitative information is disclosed throughout these financial statements.

#### (i) Basic principles of risk management

The Supervisory Board has overall responsibility for organizing the risk management system of the Company and supervising the functioning of this system. The Company does not have the Risk Management Committee, so the management is responsible for developing the risk management policy of the Company and supervising its implementation. The management regularly reports on its work to the General Meeting of Members.

#### (ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to the financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

The carrying amount of financial assets reflects the Company's maximum exposure to credit risk.

#### (iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operating expenses for a period of 60 days, including the servicing of financial obligations. This does not take into account the potential impact of exceptional circumstances the occurrence of which could not be reasonably foreseen, such as the impact of natural disasters.





The table below presents the financial liabilities of the Company based on contractual obligations by maturity of those liabilities on December 31, 2021 and 2020.

in thousands of Kazakhstani tenge				
	Less than 1 month	From 1 to 3 months	From 3 months to 1 year	Total
<b>2021</b>				
Trade and other payables	220 081	111 318	412 370	743 769
<b>2020</b>				
Trade and other payables	54 006	3 308	230 306	287 620

### Interest rate risk

The management of the Company has no formalized policy as to how much of the Company's exposure should be allocated between fixed and variable interest rates.

### Sensitivity analysis of fixed rate financial instruments to changes in fair value

The Company does not account for fixed rate financial instruments at fair value through profit or loss or available-for-sale instruments. Therefore a change in interest rates at the reporting date would not have an effect on the Company's profit or loss or equity.

## 28. Contingent assets and liabilities

### Political and economic conditions in the Republic of Kazakhstan

- Kazakhstan continues economic reforms and the development of legal, tax and administrative infrastructure that would meet the requirements of the market economy. The future stability of the Kazakh economy will largely depend on the progress of these reforms, as well as on the effectiveness of measures taken by the Government in the field of the economy, financial and monetary policy.
- There have been changes in the legislation along with the adoption of Resolution No. 270 dated October 29, 2018 on the establishment of requirements for the minimum amount of the authorized and equity of insurance broker regarding the Company's activities. The equity of the Company is sufficient to continue its statutory activities.

### Taxation

Tax laws in the Republic of Kazakhstan are often changed and interpreted in different ways. The management's interpretation of such laws as applied to the Company's business may be challenged by the relevant tax authorities, which, by law, may impose fines and interest. The financial periods remain open to tax inspection for five calendar years.

The management of the Company believes that all the necessary tax accruals have been made, and, accordingly, the accrual of the corresponding provisions in the separate financial statements is not required.

### Legal claims

The Company is not subject to legal proceedings and claims in the course of its current activity.



### Insurance policies

The Company insures its risks in the following areas:

- insurance of employees against accidents;
- voluntary insurance of civil liability to third parties.

### 29. Related parties

Parties are considered 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 as defined in IAS 24 Related Party Disclosures. Attention is directed to the substance of the relationship, and not merely the legal form in considering the possible existence of the related party relationship.

The related parties of the Company are the members, jointly controlled entities and key management personnel.

The Company did not have any related party transactions in 2020 and 2021.

### Remuneration to key management personnel

Remuneration to key management personnel of 2 people includes:

in thousands of Kazakhstani tenge	2021	2020
Wages and other payments	89 427	79 309
Social security contributions	8 196	7 252
<b>Total</b>	<b>97 623</b>	<b>86 561</b>

### 30. Events after the reporting date

Protests related to a significant increase in the retail price of liquefied natural gas began in the Mangistau region of Kazakhstan on January 2, 2022. These protests spread to other cities and resulted in riots, property damage and deaths. The government declared the state of emergency on January 5, 2022.

As a result of the aforementioned protests and the imposition of the state of emergency, the President of Kazakhstan made a number of public announcements regarding possible measures, including amending tax laws, introducing measures to support financial stability, controlling and stabilizing the inflation rate and the tenge exchange rate. The state of emergency was lifted on January 19, 2022.

Events in neighboring countries occurred on February 24, 2022, which resulted in the imposition of significant sanctions on the Russian Federation and a weakening of the Russian Ruble. These events could lead to a weakening of the tenge for a number of macroeconomic reasons, including the dependence of Kazakhstan on imports from the Russian Federation.

The Company is currently unable to quantify the impact on the Company's financial position of any new measures that the Government may take and the international position it will take with respect to the foregoing events, as well as the effect they will have on the economy of the Republic of Kazakhstan.





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