



Kaspi.kz Announces Second Quarter 2021 Financial Results

Kazakhstan, 26 July 2021 – JSC Kaspi.kz (“Kaspi.kz”, “we”, or the “Company”) which operates the Kaspi.kz Super App, Kazakhstan’s leading mobile Super App, today publishes its unaudited consolidated IFRS financial results for the quarter ending 30 June 2021.

Key highlights

- Super App MAU up 30% year-over-year to 10.2 million, DAU up 67% to 6.0 million. Average monthly transactions per active consumer up 2.0x to a record 39.3 transactions.
- Continuing on from its hugely successful launch last year, Kaspi Pay continues to scale at an incredible rate and has firmly established itself as the digital payments platform of choice for merchants of all sizes, across all segments of Kazakhstan’s retail market.
 - Payments Platform merchants increased 448% year-over-year to reach 134.8K.
 - 179.6K active Kaspi Pay POS devices by June 2021, up 11x year-over-year and equivalent to 51% share of the country’s total POS network.
 - By number of transactions, Kaspi Pay POS Solutions accounted for 68% of all Kaspi Gold in-store purchase transaction, up from just 7% in June 2020.
 - Consumers continue to embrace Kaspi Pay’s contactless Kaspi QR technology. Number of transactions using Kaspi Pay POS Solutions increased 26x year-over-year, with Kaspi QR accounting for 80% of transactions in the second quarter 2021.
 - We expect a larger Payments Platform merchant base to in turn drive another step-up in Marketplace merchant growth. Currently, only 40% of total merchants are available on both Payments and Marketplace Platforms.
 - We expect a larger Kaspi.kz merchant base to in turn drive up consumer penetration across all three of our platforms, from 38% currently.
 - In e-Commerce we continue to scale Kaspi Smart Logistics Platform, with total deliveries up 205% year-over-year, 54% orders delivered within ≤2 days and 98% of deliveries free for consumers. Fast nationwide delivery is an important tool to attract new merchants and free delivery is another key benefit for consumers.
- In just seven months since its launch, Kaspi Travel has taken 26% share of the flight bookings market and in June we added rail ticketing.
- GovTech is an important addition to the Kaspi.kz Super App, with MAU up 3.9x year-over-year in June 2021.
- Marketplace GMV growth accelerated to 253% year-over-year.
 - e-Commerce GMV up by 171% year-over-year.
 - m-Commerce GMV up by 457% year-over-year.
- Fintech TFV growth accelerated to 456% year-over-year.
- Payments TPV growth accelerated to 155% year-over-year.
- Marketplace adj. net income¹ up 574% year-over-year and record 67% adj. net income margin.
- Fintech adj. net income up 37% year-over-year to 38% adj.net income margin.
- Payments adj. net come up 128% year-over-year to record 60.3% adj. net income margin.

¹ Net income adjusted for stock-based compensation

- Upgrading Payments Platform KPI's to RTPV growth around 100% year-over-year and growth in average balances on current accounts to around 60% year-over-year.
- Upgrading Fintech Platform KPI's to TFV growth above 110% year-over-year, Cost of Risk around 2% and high-30% adj. net income profitability.
- Upgrading Kaspi.kz 2021 adj. net income guidance to around KZT425 billion. This compares with guidance of above KZT410 billion, provided at our last results update in April.
- Proposed second quarter dividend of 415KZT/share, equivalent to around KZT80 billion, subject to shareholder approval.
- Kaspi Pay has entered into an SPA to acquire 100% of Portmone Group, payment company in Ukraine. With Portmone's payments licenses and substantial merchant and bank relationships, we intend to introduce our payment services across Ukraine's 42 million population opportunity.

Mikhail Lomtadze, Kaspi.kz CEO and co-founder, commented:

"In the second quarter our team's execution was phenomenal, with the end result being accelerating top and bottom-line growth.

We previously told investors that this year our no.1 goal is to substantially scale our merchant base, primarily via the roll out of Kaspi Pay and Kaspi QR. By June 2021, Kaspi POS devices accounted for 51% of Kazakhstan's physical acquiring network, which is an incredible achievement in less than 12 months. The runway ahead is substantial and now we're also seeing a significant acceleration in Marketplace merchant onboarding. We're also increasingly focussed upon scaling our Kaspi Smart Logistics Platform, which is yet another tool to deepen our relationship with merchants. With only 40% of merchants available on both our Payments and Marketplace Platforms, there is still a lot we can do to help merchants accelerate their growth.

An expanded merchant base gives our consumers more reasons to transact through the Kaspi.kz Ecosystem and ongoing strong user momentum in the second quarter of 2021 is the best illustration of this. Engagement levels once again hit record highs, with average monthly transactions per consumer up by over 100% to just under 40. This is best in class engagement by global standards but with only 38% of our consumers using all three of our platforms, here too we can continue doing more to increase our relevance to consumers' everyday lives.

In the second quarter, we worked hand in hand with various government agencies prioritizing the addition of high frequency GovTech services to the Kaspi.kz Super App and broadened Kaspi Travel's proposition with the addition of rail ticketing. Going into the second half of the year, the product pipeline is as healthy as ever.

Strong user trends in turn drive rapid financial growth and in the second quarter all three of our platforms delivered standout performances. As a result, we're upgrading our 2021 Payments and Fintech KPIs and financial guidance. We're also pleased to upgrade our Kaspi.kz consolidated net income guidance for the second time this year and now expect adj. 2021 net income of around KZT425 billion.

The combination of our scale with consumers and merchants, reinforced by our Super App strategy, puts Kaspi.kz in a completely unique playing field to capture the multi-year structural growth opportunity offered by digitalisation in Kazakhstan. With today's proposed acquisition of payments company Portmone in Ukraine, we're also starting to put in place the foundations for Kaspi.kz to play a leading role in the broader region's digital transformation. We have many plans to continue building on our success and find it difficult to be anything other than extremely optimistic about the future."

10.2 million Kaspi.kz Super App users. Engagement at all-time highs

MAU up 30% to 10.2 million, DAU up 67% to 6.0 million, avg. 39.3 transactions per consumer/month

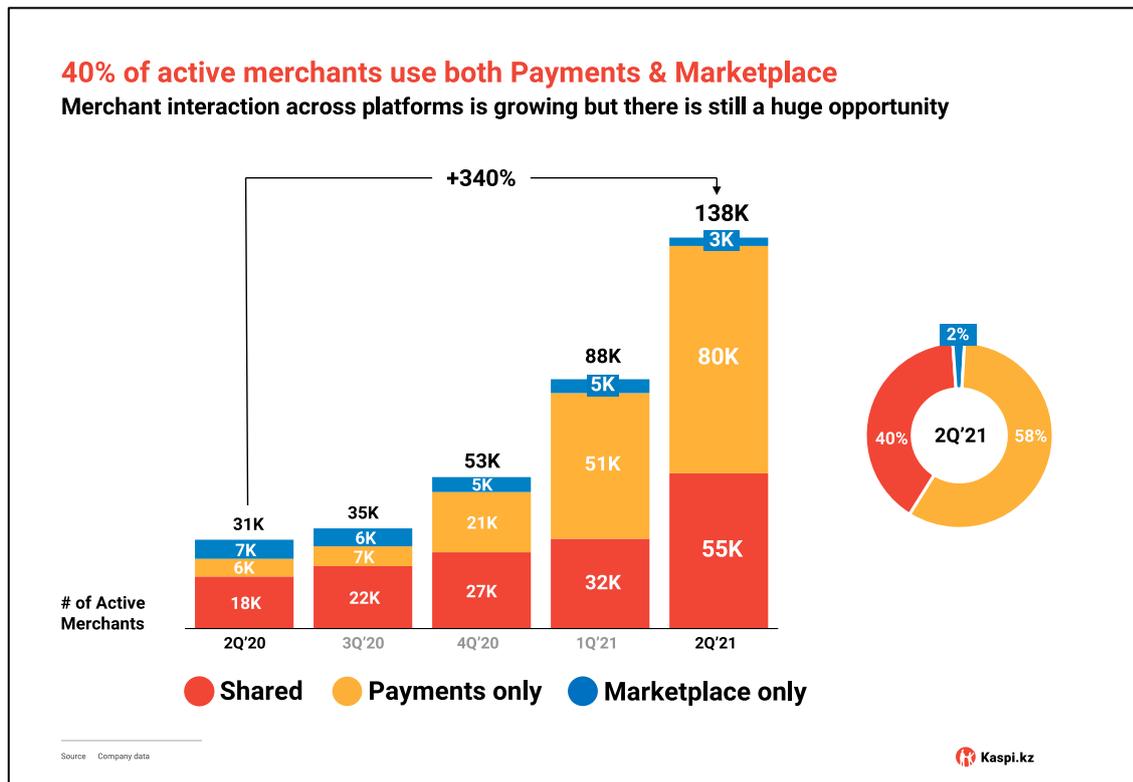
Kaspi.kz's Super App serves as a single gateway to our Ecosystem and gives our Payments, Marketplace and Fintech Platforms leading market positions and unrivalled competitive advantages.

Super App user and engagement levels continue to reach all-time highs. During the second quarter of 2021, Kaspi.kz Super App MAU (Monthly Active Users) increased by 30% year-over-year to 10.2 million.

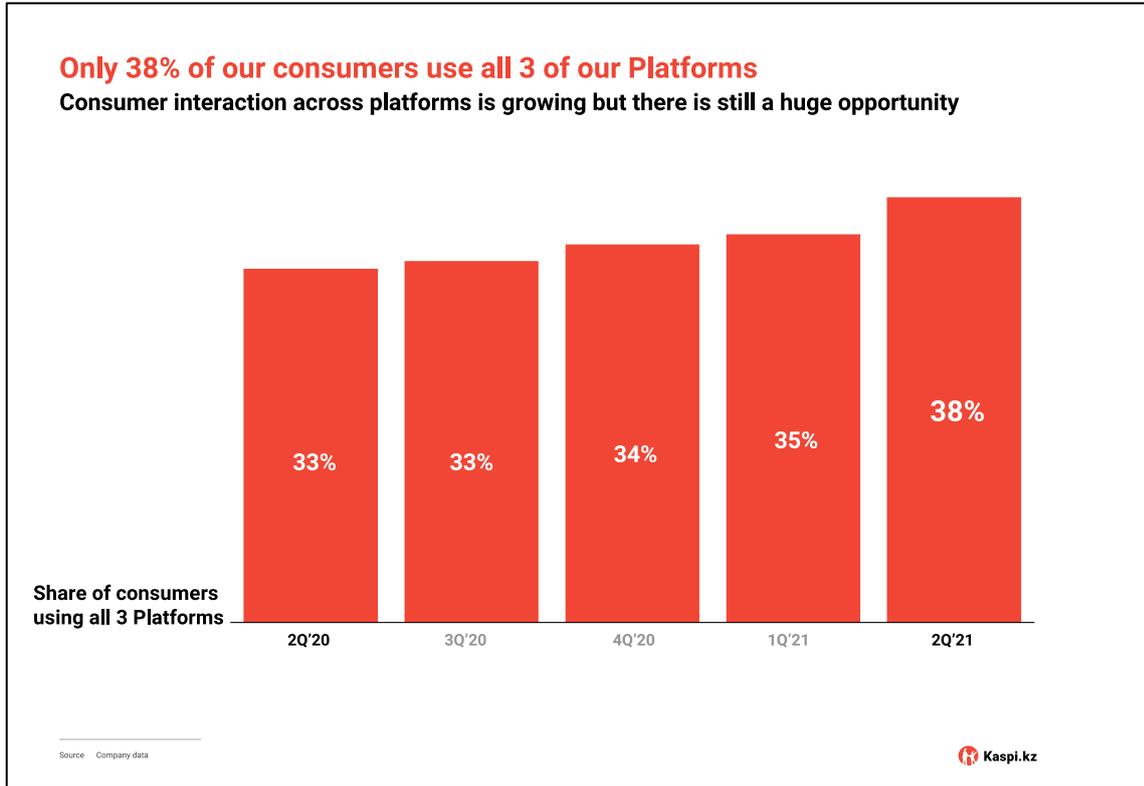
Highly discoverable digital transaction linked products and services ensure the Kaspi.kz Super App is integral to consumers' daily lives. DAU (Daily Active Users) increased 67% year-over-year, a substantially faster rate than MAU. The ratio of DAU to MAU reached 59%, which is amongst the highest levels of user engagement of any Super App globally and another step-up, compared to 54% during the first quarter of 2021.

Engagement is closely tied to one of our most important strategic objectives, namely, to facilitate digital transactions across all areas of the typical household budget. Average monthly transactions per active consumer increased by over 100% year-over-year to 39.3 from 19.3 during the second quarter of 2020.

To drive engagement and transaction levels even higher, our top strategic priority is to onboard as many merchants, as rapidly as possible. During the second quarter of 2021, total number of active merchants increased by 340% year-over-year to reach 138K. Only 40% of merchants are available on both our Payments and Marketplace Platforms representing a substantial future growth opportunity. We expect that a high proportion of Payments Platform merchants will subsequently go on to become m-Commerce and e-Commerce merchants, enhancing the breadth and depth of their relationship with the Kaspi.kz Ecosystem.



A large and compelling merchant base, combined with high quality and innovative digital products in turn drives consumer engagement and transactions across all of our platforms. Consumers active on all three Kaspi.kz platforms reached 38%, which is an increase from 35% in the first quarter of 2021 and 33% in the second quarter of 2020.



We will also continue to launch new products and services and the success of Kaspi Travel, demonstrates that a large and highly engaged Super App consumer and merchant base can be leveraged into new sizeable and fast-growing markets.

Recently launched high frequency GovTech services, are already used regularly by a third of our Super App user base, boosting our reach and relevance even further.

Underpinned by the continued success of Kaspi Pay we continue to see multiple opportunities across all aspects of our Ecosystem to drive consumer, merchant, engagement and transaction growth well into the future.

Kaspi.kz 2Q financial highlights

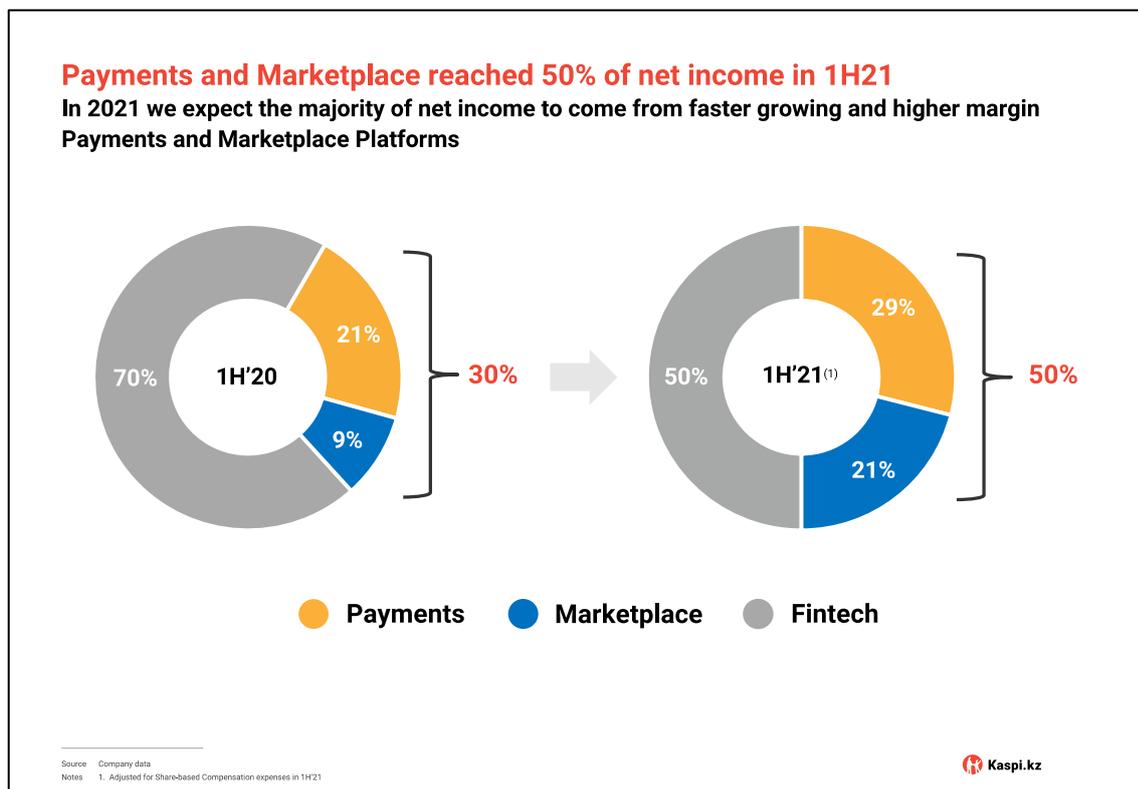
Payments and Marketplace adj. net income up 128% and 574% YoY. Now 50% of cons net income

During the second quarter of 2021, total revenue growth accelerated significantly to 54% year-over-year, reaching KZT214,257 million. Every platform delivered a standout performance with accelerating top-line growth and improving year-over-year profitability.

2Q 2021 user and financial highlights			
Rapid and accelerating top & bottom-line growth across all platforms			
Super App	Payments	Marketplace	Fintech
+30% YoY 10.2MM MAU	+155% YoY TPV	+253% YoY GMV	+456% YoY TFV
+67% YoY 6.0MM DAU	+135% YoY RTPV	+171% YoY e-Commerce GMV	+29% YoY Average Net Portfolio
		+457% YoY m-Commerce GMV	
+94% YoY Cons. Net Income ⁽¹⁾	+128% YoY Net Income ⁽¹⁾	+574% YoY Net Income ⁽¹⁾	+37% YoY Net Income ⁽¹⁾
2Q'21 dividend of around KZT80B recommended by the Board of Directors			
<small>Source: Company data Notes: 1. Adjusted for Share-based Compensation expenses in 2021</small>			

Marketplace benefitted from accelerating e-Commerce GMV growth and substantially faster m-Commerce GMV trends due the expansion of our merchant base and the removal of COVID-19 restrictions for physical retail. Our Payments Platform, despite a long track record of consistently high growth, continues to surprise on the upside. Fintech, is rapidly scaling origination, and revenue should accelerate again in the second half of 2021.

Our net income mix continues to transform quickly and in the first half of 2021 our faster growing Payments and Marketplace Platforms accounted for 50% of net income, up from 30% in the same period in 2020. We continue to expect Payments and Marketplace to account for the majority of our full-year 2021 adj. net income.



During the second quarter of 2021, adj. net income increased 94% year-over-year to KZT102,389 billion. Adj. net income margin increased to 47.8% from 37.8% during the same quarter in 2020.

Our profitability has benefitted from the high operational gearing inherent in our Marketplace Platform, despite the rollout of free delivery for consumers. In our Payments Platform, as our proprietary payments network scales, we continue to eliminate third-party costs, as well as benefitting from the platforms operational gearing. Fintech Platform's profitability also improved as top-line growth returned at scale, combined with improving cost of risk.

For the first half of 2021, total revenue reached KZT397,050 billion, equivalent to a 33% year-over-year increase. For the first half of 2021, adj. net income increased 57% year-over-year to KZT181,009 billion, equivalent to a 45.6% adj. net income margin, up from 38.6% in the first half of 2020.

Our cash generation capacity remains as strong as ever. As has been the case previously, we seek to maintain a 50bps buffer above local NBK capital adequacy requirements but thereafter can consider returning excess cash to shareholders or M&A that would allow us to scale our addressable markets further.

For the second quarter of 2021, our Board of Directors has proposed a 415KZT/share dividend equivalent to around KZT80 billion, subject to shareholder approval.

Payments Platform

RTPV up 135%, revenue up 92% & adj. net income up 128% YoY

Our Payments Platform has always offered consumers a highly convenient way to shop, pay bills and make peer-to-peer (P2P) payments via the Kaspi.kz Super App. As has been the case globally, in Kazakhstan there has been a massive shift to digital payments, with consumers demanding a seamless and integrated digital experience no matter where they shop. Kaspi Pay is our response to help merchants adapt and exceed their customers' expectations.

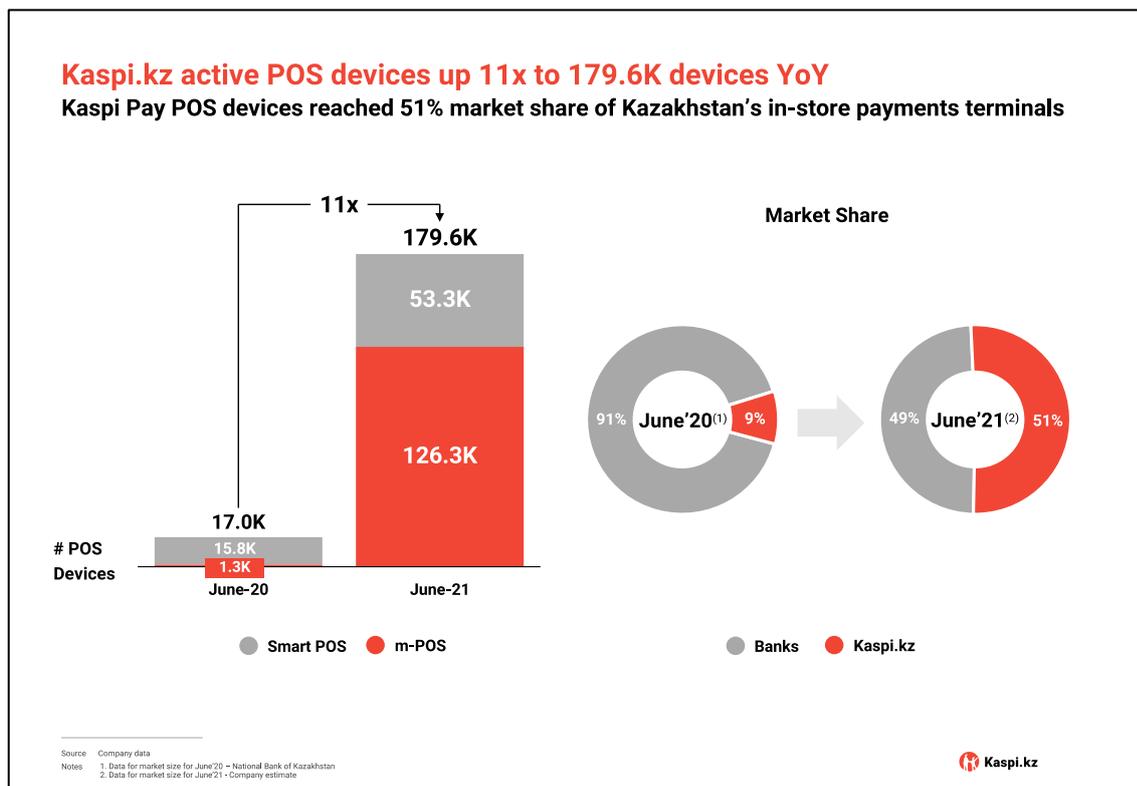
Payments Platform is also amongst our most important tools to attract new consumers and increase engagement, making it illustrative of the health of the broader Kaspi.kz Ecosystem. With this in mind, we continue adding new opportunities to spend and pay, which is a function of new merchants.

In the second quarter of 2021, we accelerated merchant onboarding again, up 448% year-over-year to 134.8K merchants. The benefits of this will be seen in subsequent quarters as new merchants shift more of their volumes to Kaspi Pay.

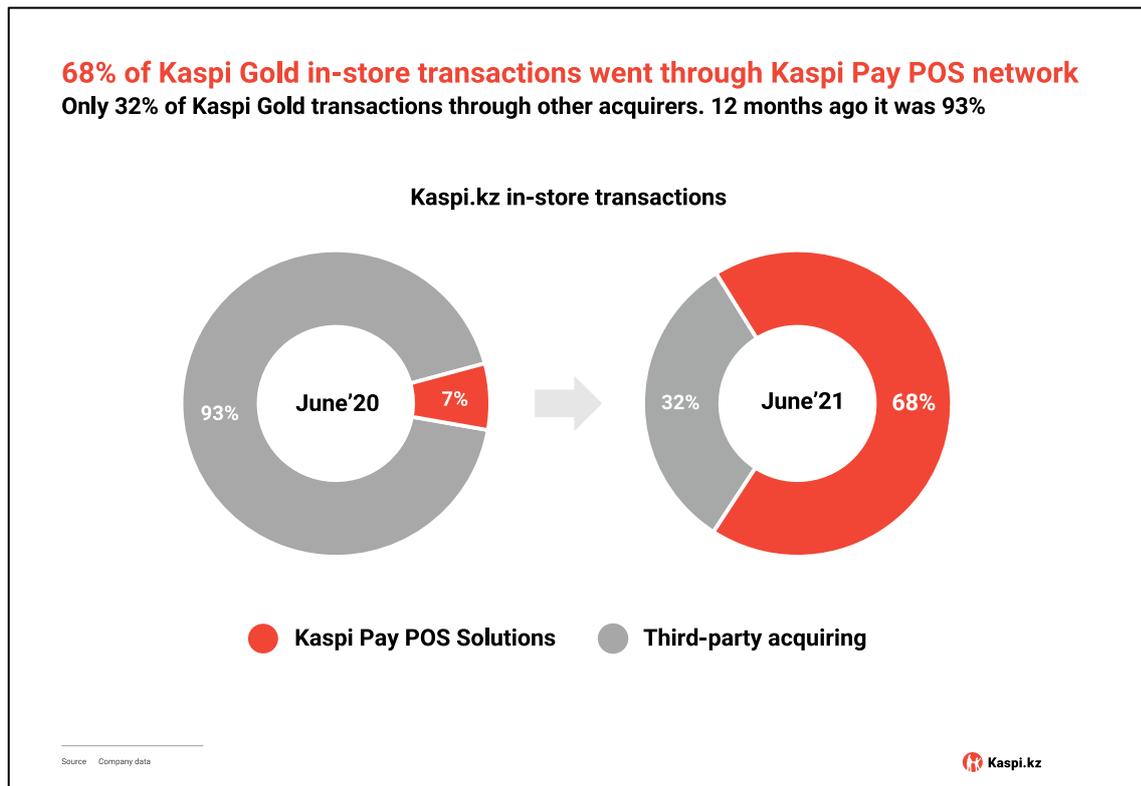
As we give our consumers new opportunities to pay, consumer growth has remained robust. Payments Platform active consumers increased 34% year-over-year, to reach 8.8 million, in the second quarter of 2021.

By creating our own closed-loop proprietary payments network, we have eliminated the need for 3rd party processors and our Payments Platform offers merchants and consumers at scale, a complete end-to-end experience. The result is that over the last 12 months Kaspi Pay has firmly established itself as a major disruptive force, becoming the digital payments platform of choice for all types of merchants in Kazakhstan.

By June 2021, there were 179.6K active Kaspi Pay POS devices, up 11x year-over-year and equivalent to 51% share of the country's total POS network.

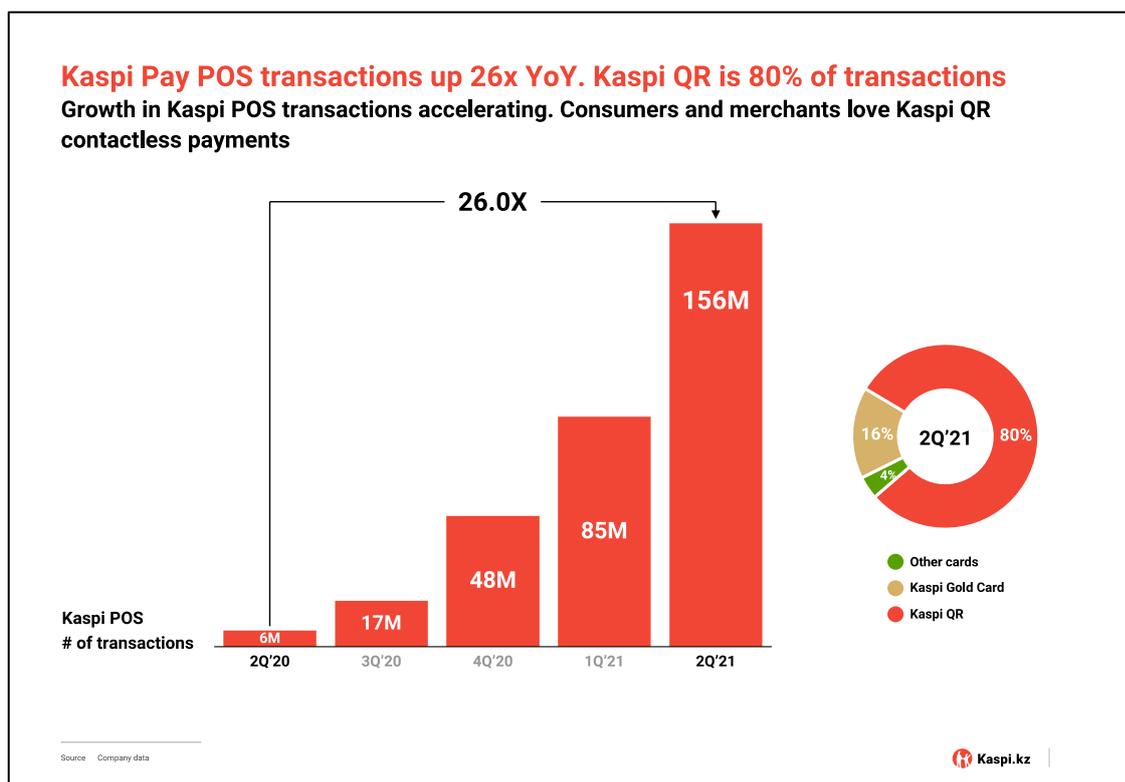


This unique and disruptive proposition, led Kaspi Pay POS Solutions to reach 68% of all Kaspi Gold POS in-store retail transactions in June 2021, up from 52% just three months earlier and 7% in June 2020.



Consumers continue to swiftly embrace Kaspi Pay’s contactless QR technology. Number of transactions using Kaspi Pay POS Solutions increased 26x year-over-year, with QR accounting for 80% of transactions in the second quarter 2021. In future quarters, we expect further strong growth in the number of active Kaspi Pay POS devices and even higher growth in engagement, as evidenced by the number of transactions.

For us Kaspi Pay’s initial success is just the start of a multi-year strategy, as we set out to transform commerce for merchants. With all consumer and merchant metrics showing rapid momentum, we’re in an incredibly strong position to lead the digital transformation of payments and shopping in Kazakhstan and over time across the wider region.



During the quarter ending 30 June 2021, Total Payment Value (TPV) increased by 155% year-over-year to reach KZT11.9 trillion. Revenue Generating TPV (RTPV) increased 135% to reach KZT2.9 trillion.

Average balances increased 58% year-over-year to KZT483 billion. Consumers move funds to Kaspi.kz to facilitate future transactions and rapid growth in account balances is an encouraging lead indicator for future RTPV growth.

During the second quarter of 2021, Payments Platform revenue grew by 92% year-over-year to reach KZT49,586 million. For the first half of 2021, Payments Platform revenue increased 85% year-over-year to reach KZT89,686 million. Take-rate in the second quarter and first half of 2021 was 1.2% in line with our 2021 full-year guidance of around 1.2%.

Payments Platform adj. net income increased by 128% year-over-year to KZT29,881 million, with net income profitability of 60.3% up significantly from 50.7% in the second quarter of 2020. Payments Platform profitability continues to benefit from cost savings as we transition payment volumes away from third-party network providers to our own proprietary payments network, combined with the platform's inherent operational gearing. For the first half of 2021, Payments Platform adj. net income increased 121% year-over-year to KZT52,726 million, with net income profitability of 58.8% up from 49.2% in the first half of 2020.

For the remainder of 2021 we will continue to aggressively ramp-up our merchant base and expect this to 1) contribute to ongoing strong growth in RTPV, 2) a more diverse mix of Payments Platform revenue streams and 3) higher profitability as our proprietary network disintermediates third party costs.

With Payments Platform KPIs and financials accelerating we are upgrading our 2021 guidance and now expect RTPV growth of around 100% year-over-year and growth in average balances on current accounts of around 60% year-over-year.

Kaspi Pay is less than a year into its journey and we remain extremely positive about the outlook for our Payments Platform in 2021 and beyond.

Marketplace Platform

e-Commerce GMV up 171%, m-Commerce GMV up 457% & adj. net income up 574% YoY

Our Marketplace Platform connects both online and offline merchants with consumers, enabling merchants to increase their sales using an omnichannel strategy and consumers to buy a broad selection of products and services from a wide range of merchants. COVID-19 related restrictions on the operation of physical retail led to significant changes in the shopping behaviour of consumers, and our Marketplace Platform with its 63% market share in e-commerce² and free delivery for consumers is perfectly positioned to meet shoppers and merchants rapidly evolving needs. In a post-COVID world, our advantage is a single brand experience, irrespective of online or offline.

Just as with our Payments Platform, the rapid expansion of our Marketplace merchant base is an important strategic priority. We're focussed on digitally onboarding Kaspi Pay merchants to Marketplace and during the second quarter of 2021, Marketplace merchants increased to 57.7K, up 130% year-over-year. Over the same period Marketplace consumers increased 35% year-over-year to 3.7 million. We expect merchant growth to remain at elevated levels over the remainder of the year, with more merchants leading to fast growth in consumers and GMV per consumer.

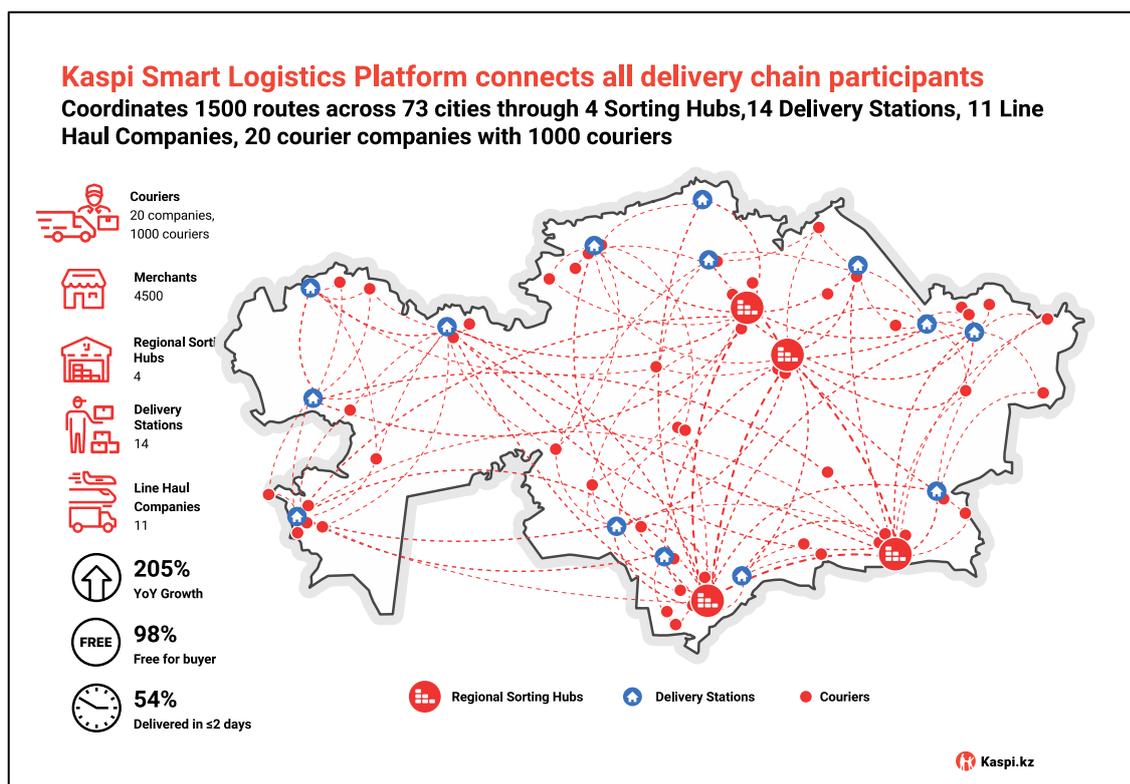
Our Marketplace platform continues to rapidly evolve in line with our strategic plan, namely; e-Commerce accounted for 42% of GMV.

During the second quarter of 2021 Marketplace GMV increased 253% year-over-year to KZT396 billion, with growth momentum accelerating throughout the period. e-Commerce GMV growth accelerated to 171% year-over-year. m-Commerce, our solution to digitalize shopping at offline merchants, delivered 457% year-over-year GMV growth due the ongoing expansion of our merchant base and a favourable base effect compared to the second quarter of 2020, when much of physical retail was impacted by COVID-19 related opening restrictions.

A 220 bps year-over-year increase in take-rate to 8.5% in the second quarter of 2021 resulted in Marketplace revenue growing significantly faster than GMV, increasing 343% year-over-year to KZT34,454 million. Higher take-rate is the result of ongoing mix shift away from consumer electronics, the success of our promotional activities and to a lesser extent Kaspi Logistics and Kaspi Marketing Services, which are at very early stage of monetization. For the first half of 2021, Marketplace Platform revenue increased 202% year-over-year to reach KZT57,743 million. Take-rate in the first half of 2021 was 8.3%, up 166 bps year-over-year.

The expansion of Kaspi Smart Logistics Platform and introduction of free delivery for consumers was an important contributor to accelerating e-Commerce trends. In the second quarter of 2021 delivery volumes increased 205% year-over-year. Kaspi Delivery's footprint has been expanded to 73 cities and Kaspi Smart Logistics Platform coordinates over 1,500 routes across the country connecting all the delivery chain participants via a single technology platform. As we scale our logistics solution further, we expect this to fuel growth of our Marketplace Platform GMV.

² PwC, Kazakhstan retail e-commerce market analysis for 2020, published March 2021



During the second quarter of 2021 Marketplace Platform adj. net income reached KZT23,068 million, representing a 574% increase year-over-year. Net income profitability increased to 67.0% from 44.0% in the same period in 2020. Higher profitability resulted from higher take-rate, Marketplace Platform's high operational gearing and was achieved despite the ramp-up in free consumer delivery, which at this stage is a negative drag on profitability. For the first half of 2021, Marketplace adj. net income increased 267% year-over-year to reach KZT37,523 million. Net income profitability increased to 65.0% from 53.3% in the same period in 2020.

For 2021 we continue to expect Marketplace GMV growth to be around 100% year-over-year with adj. net income profitability around high-60%.

Going forward, we believe the breadth and depth of our merchant proposition is one of the most important drivers of GMV/consumer growth and our long-term competitive advantage. In this regard, we expect to continue merchant onboarding at elevated levels. With an enhanced merchant offering, we expect to see strong Marketplace GMV growth in the second half of 2021, with high growth and profitability sustainable well into the mid-term.

Fintech Platform

TFV up 456% YoY, Buy-Now-Pay-Later reached 39% of origination, FY21 CoR now guided around 2.0%

The short-term nature of all our financing and more specifically BNPL products allow us to quickly ramp-up or scale back origination as we observe changes in the consumer environment. During the second quarter of 2021, Total Finance Value (TFV) accelerated 456% year-over-year to an all-time high KZT995 billion. This is another step-up compared with 40% growth in the first quarter of 2021 and compares with a 62% decline in the second quarter of 2020.

Our average net loan portfolio increased by 29% year-over-year, reaching KZT1.6 trillion during the second quarter of 2021. Overall loan portfolio growth significantly below TFV growth illustrates some of the benefits of our Super App origination strategy. Our consumers can take exactly what they need, via seamlessly

integrated Fintech Platform products at the point of purchase and also conveniently repay whenever they want commission and penalty free. This results in growth in origination above average portfolio growth, lower cost of risk and more transactions on our Marketplace and Payments Platforms. For our consumers, in addition to convenience they carry lower levels of total indebtedness. Higher portfolio conversion of 2x in the second quarter of 2021, up from 1.6x and 1.5x in the first quarter of 2021 and second quarter of 2020 respectively, also reflects higher early repayments levels, as a healthy consumer returns to behaviour comparable with pre-pandemic trends. With the consumer backdrop continuing to improve and our focus on low ticket origination we expect portfolio conversion to remain rapid throughout the remainder of 2021.

Yield was 30.1% and 29.9% during the second quarter and first half of 2021 respectively. We expect to deliver a full year 2021 Fintech yield of around 30%, which is consistent with our guidance throughout 2021.

Our new Merchant and Micro Business Finance products continue to gain traction quickly, accounting for 7% of TFV in the second quarter of 2021.

Fintech Platform active lending consumers reached 4.1 million during the second quarter of 2021, equivalent to an increase of 22% year-on-year. Active deposit consumers however increased 32% year-over-year to 2.4 million as consumers increasingly transfer funds into the Kaspi.kz Ecosystem, fuelling growth in our Payments and Marketplace Platforms and leaving us well positioned to fund higher TFV origination in future periods. Our loan to deposit ratio reached 69% in the second quarter of 2021.

During the second quarter of 2021 our underlying credit related cost of risk improved to 1.5% from 1.9% in the first quarter of 2021 and 2.5% in the second quarter of 2020. Improving cost of risk reflects the strength of our data driven real time risk management capabilities, as well as our continuous efforts to constantly improve the efficiency of our collection processes. With consumer behaviour having largely normalised, we now target full-year 2021 CoR around 2.0%, which is an improvement on our previous guidance of below 2.5% and initial guidance at the start of 2021 of below 3%.

Fintech Platform revenue increased by 23% year-over-year to reaching KZT130,217million during the second quarter of 2021 and increased by 8% year-over-year to reaching KZT249,621 million during the first half of 2021. Lower yielding Buy-Now-Pay- Later (BNPL) and Merchant Finance products muted Fintech revenue growth, but these trends were in line with our internal goals and with origination now on track to growth above 110% year-over-year in 2021, revenue growth will accelerate in subsequent quarters.

In the second quarter of 2021, Fintech Platform's adj. net income increased by 37% year-over-year reaching net income of KZT49,440 million, with adj. net income margin reaching 38.0% from 34.3% in the second quarter of 2020. For the first half of 2021 adj. net income increased by 11% year-over-year to reach KZT90,760 million, with adj. net income margin reaching 36.4% from 35.2% in the same period in 2020.

Fintech Return on Equity³ during the first half of 2021 remained extremely healthy at 58.7%.

Assuming the macro-backdrop continues to improve for the remainder of 2021, we expect elevated TFV origination. Although we will continue to prioritise our BNPL product, approximately 10% of TFV growth will come from our recently launched merchant financing and SME Fintech products. For 2021 we now expect TFV origination of above 110% year-over-year, which is an increase compared to our previous around 100% year over year growth guidance. We continue to expect yield to be around 30%, which is in line with our previous assumption but with CoR now around 2.0%. The end result will be net income profitability in the high-30% range, which is above previous guidance of mid-30%.

Upgrading full-year 2021 guidance

Upgrading FY21 guidance

Payments & Fintech KPIs upgraded. Now expect Kaspi.kz adj. net income around KZT425BN

	1H'21A	Old 2021 Guidance	New 2021 Guidance	Rationale	
Payments	RTPV	117% YoY Growth	Around 95% YoY Growth	Around 100% YoY Growth	Driven by growth in Kaspi Pay POS network, merchants and adoption of Kaspi QR payments
	Average Balances on Current Accounts	67% YoY Growth	Around 50% YoY Growth	Around 60% YoY Growth	Growth in users and transactions
Fintech	TFV	148%	Around 100% YoY Growth	Above 110% YoY Growth	Higher volume of origination through Kaspi.kz Super App
	Cost of Risk	1.7%	Below 2.5%	Around 2.0%	Continuously improving big data driven risk decision making
	Net Income Margin ⁽¹⁾	36.4%	Mid 30%	High 30%	Due to lower Cost of Risk
	Adjusted Net Income ⁽¹⁾	KZT 181 B	Above KZT 410 B	Around KZT 425 B	Driven by strong Payments Platform growth

Source: Company data
Notes: 1. Adjusted for Share-based Compensation expenses



Updated guidance for full-year 2021

FY21 updated guidance

	2020A	1H'21A	2021 Guidance	
Payments	RTPV	KZT 6,239 B	117% YoY Growth	Around 100% YoY Growth
	Average Balances on Current Accounts	KZT 333 B	67% YoY Growth	Around 60% YoY Growth
	Take Rate	1.3%	1.2%	Around 1.2%
	Net Income Margin ⁽¹⁾	52.1%	58.8%	Around 60%
Marketplace	GMV	KZT 818 B	148% YoY Growth	Around 100% YoY Growth
	Take Rate	7.7%	8.3%	Around 8.0%
	Net Income Margin ⁽¹⁾	60.0%	65.0%	High 60%
Fintech	TFV	KZT 1,833 B	148% YoY Growth	Above 110% YoY Growth
	Conversion Rate	1.4x	2.0	Above 2.0
	Yield	32.6%	29.9%	Around 30%
	Cost of Risk	1.8%	1.7%	Around 2.0%
	Net Income Margin ⁽¹⁾	37.8%	36.4%	High 30%
	Adjusted Net Income ⁽¹⁾	KZT 274 B	KZT 181 B	Around KZT 425 B

Source: Company data
Notes: 1. Adjusted for Share-based Compensation expenses



Stock based compensation

Following the introduction of our share-based LTIP program in 2020, amortisation of stock based compensation during the second quarter of 2021 amounted to KZT4,271 million and for the first half of 2021 KZT8,451 million.

In March 2021, share options in the quantity of 382,223 shares were exercised from treasury shares under the share-based LTIP plan. Total shares outstanding as at 30 June 2021 were 192,187,223.

Outstanding share options as at 30 June 2021 were 1,528,892.

Acquisition of Portmone Group in Ukraine

Kaspi Pay, a 100% owned subsidiary of JSC Kaspi.kz has signed a Sale & Purchase Agreement to acquire 100% of Portmone Group.

Portmone is an independent provider of payments and money transfer services in Ukraine, with consumer products including utility and household bill payments, P2P transfers, mobile top-ups and repayment for financial services. B2B products include internet acquiring for merchants, white label internet and mobile payment solutions for banks and bill aggregation for service providers. Upon successful closing the acquisition of Portmone also gives Kaspi.kz a payments license and Visa and Mastercard accreditation in Ukraine.

Ukraine is a 42 million population opportunity, characterised by high cash penetration (44% cash withdrawals), low e-Commerce penetration at 8% of retail, low unsecured consumer lending at less than 4.5% of GDP and >70% smartphone penetration.

The acquisition of Portmone puts our Payments Platform in a strong position to end into Ukraine.

Subject to anti-monopoly approval in Ukraine and Kazakhstan and approval by the National Bank of Ukraine, we expect this transaction to complete in the final quarter of 2021.

In the medium-term, Ukraine can also become an important source of IT talent and a development hub for Kaspi.kz.

Conference call information

On 26 July 2021 Kaspi.kz will host a conference call and webcast at 1.00pm (London) (8.00am U.S. Eastern Time, 6.00pm Nur-Sultan time) to review and discuss the company's results for the second quarter of 2021. To pre-register for this call, please go to the link below. You will receive your access details via email.

<https://www.incommglobalevents.com/registration/client/8088/kaspikz-q2-1h-2021-webinar/>

About Kaspi.kz

Kaspi.kz is the largest Payments, Marketplace and Fintech Ecosystem in Kazakhstan with a leading market share in each of its key services and products. At the core of the Kaspi.kz Ecosystem is the Kaspi.kz Super App, the leading mobile app in the country.

The Kaspi.kz Super App serves as a single gateway to all services and is an integral part of people's daily lives in Kazakhstan. As people's daily lives become increasingly digitalised, Super App usage is expected to grow supported by accelerating consumer adoption of cashless payments, e-Commerce and digital financial services.

Kaspi.kz's Ecosystem business model, where the growth and development of one service contributes to the growth and development of other services, creates a powerful virtuous cycle. A growing number of services being used by consumers results in synergies across all Platforms, structurally high profitability and creates a powerful self-reinforcing network effect, giving Kaspi.kz strong competitive advantages.

Kaspi.kz has been listed on the London Stock Exchange since 2020.

For further information

david.ferguson@kaspi.kz

+44 7427 751 275

Forward-looking statements

Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of Kaspi.kz. You can identify forward looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could," "may" or "might", the negative of such terms or other similar expressions. Kaspi.kz wish to caution you that these statements are only predictions and that actual events or results may differ materially. Kaspi.kz does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of Kaspi.kz, including, among others, general economic conditions, the competitive environment, risks associated with operating in Kazakhstan, rapid technological and market change in the industries the Company operates in, as well as many other risks specifically related to Kaspi.kz and its respective operations.

Kaspi.kz Consolidated Income Statement

	6M 2020, KZT MM	6M 2021, KZT MM	6M 2021 ADJUSTED, KZT MM	2Q 2020, KZT MM	2Q 2021, KZT MM	2Q 2021 ADJUSTED, KZT MM
Revenue	299,096	397,050	397,050	139,115	214,257	214,257
<i>growth, %</i>	-	-	32.8%	-	-	54.0%
Interest Revenue	156,684	185,602	185,602	79,882	97,010	97,010
Fees, Commissions & Other	86,890	84,886	84,886	42,998	44,650	44,650
Transaction & Membership Revenue	37,765	72,556	72,556	19,169	40,550	40,550
Seller fees	18,137	56,207	56,207	7,052	33,555	33,555
Other gains and losses	(380)	(2,201)	(2,201)	(9,986)	(1,508)	(1,508)
Cost of revenue	(93,502)	(114,674)	(114,306)	(47,971)	(58,580)	(58,389)
<i>growth, %</i>	-	-	22.2%	-	-	21.7%
<i>% of revenue</i>	31.3%	28.9%	28.8%	34.5%	27.3%	27.3%
Interest Expenses	(64,380)	(82,775)	(82,775)	(33,294)	(41,893)	(41,893)
Transaction Expenses	(6,987)	(6,802)	(6,802)	(3,546)	(3,815)	(3,815)
Operating Expenses	(22,135)	(25,097)	(24,729)	(11,131)	(12,872)	(12,681)
Total net revenue	205,594	282,376	282,744	91,144	155,677	155,868
<i>growth, %</i>	-	-	37.5%	-	-	71.0%
<i>margin, %</i>	68.7%	71.1%	71.2%	65.5%	72.7%	72.7%
Technology & product development	(12,095)	(19,965)	(16,272)	(6,220)	(10,425)	(8,550)
Sales and marketing	(17,813)	(28,984)	(28,984)	(8,806)	(13,640)	(13,640)
General and administrative expenses	(6,722)	(11,026)	(6,636)	(3,299)	(5,497)	(3,292)
Provision expense	(30,095)	(14,703)	(14,703)	(9,604)	(7,294)	(7,294)
Operating income	138,869	207,698	216,149	63,215	118,821	123,092
<i>growth, %</i>	-	-	55.6%	-	-	94.7%
<i>margin, %</i>	46.4%	52.3%	54.4%	45.4%	55.5%	57.5%
Income tax	(23,290)	(34,634)	(35,140)	(10,569)	(20,440)	(20,703)
Net income	115,579	173,064	181,009	52,646	98,381	102,389
<i>growth, %</i>	-	-	56.6%	-	-	94.5%
<i>margin, %</i>	38.6%	43.6%	45.6%	37.8%	45.9%	47.8%

Kaspi.kz Consolidated Balance Sheet

	31-Dec-2020, KZT MM	30-Jun-2021, KZT MM
Cash and cash equivalents	330,409	202,623
Mandatory cash balances with NBK	27,659	31,287
Due from banks	44,259	48,972
Investment securities and derivatives	869,572	1,046,762
Loans to customers	1,404,554	1,743,461
Property, equipment and intangible assets	70,016	73,483
Other assets	51,645	57,228
Assets classified as held for sale	8,628	-
Total assets	2,806,742	3,203,816
Due to banks	-	4,000
Customer accounts	2,150,581	2,526,729
Debt securities issued	139,111	139,403
Payables to shareholders	360	-
Other liabilities	40,983	51,812
Subordinated debt	78,009	78,041
Liabilities directly associated with the assets classified as held for sale	3,038	-
Total liabilities	2,412,082	2,799,985
Share capital	95,825	97,530
Additional paid-in-capital	506	506
Revaluation reserve of financial assets	5,171	6,917
Share-Based Compensation reserve	8,788	7,533
Retained earnings	280,828	287,360
Total equity attributable to Shareholders of the Company	391,118	399,846
Non-controlling interests	3,542	3,985
Total equity	394,660	403,831
Total liabilities and equity	2,806,742	3,203,816