



Kaspi.kz 1st Quarter 2022 Financial Results

Kazakhstan, 25 April 2022 – 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 31 March 2022.

First quarter 2022 highlights

- Super App DAU increased 34% year-over-year to 7.2 million, a substantially faster rate than MAU, which increased 14% year-over-year to 11.4 million. DAU to MAU engagement up to 63%.
- Average monthly transactions per active consumer up 63% year-over-year to 53.1.
- Kaspi Pay continues to scale at a rapid rate, significantly increasing its number of merchants.
 - Active merchants up 233% year-over-year to reach 292K.
 - 302K active Kaspi Pay POS devices by March 2022, up 99% year-over-year.
 - By number of transactions, Kaspi Pay accounted for 85% of all Kaspi.kz in-store transactions, with third-party acquiring down to just 15%.
 - With a large and highly engaged merchant base, we expect rapid growth in earlier stage merchant services including e-Commerce, Kaspi Delivery, Kaspi Marketing and financing for merchants and SMEs.
- Kaspi e-Grocery, in conjunction with Kazakhstan’s no.1 grocery retailer Magnum, is seeing extremely high consumer adoption and positive consumer feedback.
 - e-Grocery GMV and orders both up 23x year-over-year.
 - Active consumers up 10x year-over-year.
- Kaspi Pay B2B emerging as a new transformative payments proposition for wholesalers, with B2B RTPV volumes up 10x year-over-year to reach 2% of RTPV.
- From start-up status just 18 months ago, Kaspi Travel is now Kazakhstan’s no.1 online flight and rail booking service. GMV reached 9% of Marketplace GMV and given its now meaningful scale, we have decided to start reporting Travel GMV as part of Marketplace GMV. With Travel, e-Commerce and m-Commerce, Marketplace now includes three large, diverse and fast growing product propositions.
- The breadth and depth of Marketplace’s product proposition significantly enhanced.
 - Marketplace merchants up 346% year-over-year to reach 163K.
 - E-Commerce SKUs up 2.4x year-over-year to 1.6 million.
- We also continue to scale Kaspi Smart Logistics Platform, with total orders delivered up 107% year-over-year to 2.3 million.

- 95% of deliveries free for the consumer.
- 53% of orders delivered in ≤2 days.
- 929 Kaspi Postomats operational in March across 11 cities, accounting for 8.8% of orders delivered, only 5 months' post launch. At scale we expect Kaspi Postomats to materially improve e-Commerce delivery economics.
- Digital Documents launched on our GovTech Platform. Consumers can access their ID cards, vaccine passport, driver's license, marriage certificate, birth certificate and other digital documents via the Kaspi.kz Super App.
 - Over 1.5 million consumers have accessed Digital Documents in its first weeks post launch.
- Despite external macro shocks during the first quarter, Kaspi.kz continues to deliver strong financials. First quarter 2022 Kaspi.kz consolidated adj. net income up 49% year-over-year to KZT117 billion.
- During March we deliberately scaled back consumer credit origination (TFV) and postponed promotional campaigns for our Marketplace Platform. However, consumer and merchant trends are currently strong, with improving momentum. We also continue to see high levels of credit quality. This leaves us well positioned to gradually accelerate TFV growth in the second half of the year, assuming a stable external backdrop. At this stage, even considering reduced macro visibility, we continue to expect Kaspi.kz's consolidated adj. net income to grow by between 20-30% year-over-year in 2022.
- At our full-year 2021 results we commented that, "We believe our market capitalisation materially undervalues Kaspi.kz and so are in the process of considering a GDR buyback program." Our Board of Directors has now approved a buyback program for up to \$100 million.

1Q 2022 highlights
Despite external shocks Kaspi.kz keeps delivering

Payments	Marketplace	Fintech	Consolidated
+60% YoY RTPV	+50% YoY GMV ⁽⁴⁾	+21% YoY TFV	+63% YoY Monthly Transactions per Active Consumer
+59% YoY Revenue	+40% YoY Revenue	+43% YoY Revenue	+45% YoY Revenue ⁽³⁾
+73% YoY Net Income ⁽¹⁾⁽²⁾	+39% YoY Net Income ⁽¹⁾⁽²⁾	+39% YoY Net Income ⁽¹⁾⁽²⁾	+49% YoY Net Income ⁽¹⁾⁽²⁾

Source: Company data
Notes: 1. 2021 is Adjusted for Share-based Compensation expenses
2. 2022 is Adjusted for Share-based Compensation, Contribution to charitable fund "For the People of Kazakhstan" in the amount of KZT 10 bn, Civil unrest losses in the amount of KZT 0.7 bn
3. Revenue adjusted for presentation of Rewards in Sales & Marketing expenses
4. GMV including Kaspi Travel

 Kaspi.kz

To the shareholders of Kaspi.kz:

During the first quarter of this year, we have experienced two unexpected external shocks. However, yet again I'm pleased to report that Kaspi.kz's business model has proven itself and our management team continues to execute successfully.

Whether in good or more challenging times the Kaspi.kz Super App makes everyday life better for consumers and merchants. We have high quality, highly relevant digitally products and we work relentlessly to ensure that we're there for our customers when they need us. As long as we maintain the highest standards of execution, I'm confident we will keep delivering for you, our shareholders, no matter what challenges the external environment throws at us.

I'm fortunate that our senior management team is extremely experienced and knows exactly what to do to ensure Kaspi.kz's long-term success. During March we deliberately scaled back credit origination (TFV) and postponed promotional campaigns for our Marketplace Platform. This led to more modest short-term growth but will ensure we maintain extremely high credit quality. We are now well positioned to gradually accelerate growth as the external backdrop stabilises.

During periods of increased uncertainty, we know that it is more important than ever to remain focussed on long-term strategy, which for us means developing innovative, relevant digital products and a high-quality customer experience. With this in mind, we continue to prioritize merchant onboarding to Kaspi Pay and momentum in the first quarter was strong again.

Kaspi Pay merchants are increasingly becoming Kaspi Marketplace merchants and m-Commerce merchant onboarding is at record levels. We have multiple initiatives planned to grow our merchant base even further and believe a large and engaged merchant base will enable us to keep delivering rapid growth for many years to come.

Just over 18 months ago we acquired a start-up online travel operator, which we rebranded Kaspi Travel. Kaspi Travel is now Kazakhstan's no.1 online flight and rail booking service. Travel's GMV has reached 9% of Marketplace GMV and given its now meaningful scale, for the first time we're reporting Travel GMV as part of Marketplace GMV. We will continue to broaden Kaspi Travel's offering and combined with the recovery in international travel, its outlook is very strong. With Travel, e-Commerce and m-Commerce, our Marketplace Platform now includes three large, diverse and fast growing product propositions.

The success of Kaspi Travel proves that a large and highly engaged Super App consumer base can be quickly leveraged into new sizeable, profitable and fast-growing markets. Our team is always searching for product ideas that when added to our Super App will help us sustain fast growth. Kaspi B2B, which was born out of Bill Payments is a good example of this. We observed that wholesalers and distributors were using our existing Bill Payments products to accept instant payments from their customers. In response, we developed targeted products specifically addressing wholesalers needs. B2B payments now accounts for 2% of RTPV and growth is very strong, up 10x year-over-year.

At our full year 2021 results in February, we highlighted Kaspi e-Grocery as another important priority for this year. Consumer adoption and feedback has been phenomenal and expansion to Nur-Sultan is now planned for later this year.

Kaspi Postomats remains on-track for nationwide coverage by the end of 2022 and will not only strengthen our delivery proposition but help us meaningfully improve e-Commerce delivery economics.

Going forward our Payments and Marketplace Platforms should continue to deliver very strong growth and we are well positioned to gradually accelerate TFV growth in the second half of the year, assuming a stable external backdrop.

Taking this all into account and even considering limited macro visibility, I'm pleased to reiterate our expectation that Kaspi.kz consolidated adj. net income will grow by around 20-30% year-over-year in 2022. I am also pleased to confirm that our Board of Directors has approved a \$100 million GDR buyback program.

Kaspi.kz is at the forefront of the new digital revolution, redefined by Super Apps. The combination of our scale with consumers and merchants, reinforced by our Super App strategy, puts us in a completely unique position to capture the multi-year structural growth opportunity offered by digitalisation in Kazakhstan and over time across the broader region.

As always, I would like to thank our team for their incredible efforts and our shareholders, for your ongoing trust and support.

*Mikheil Lomtadze
Kaspi.kz CEO and co-founder*

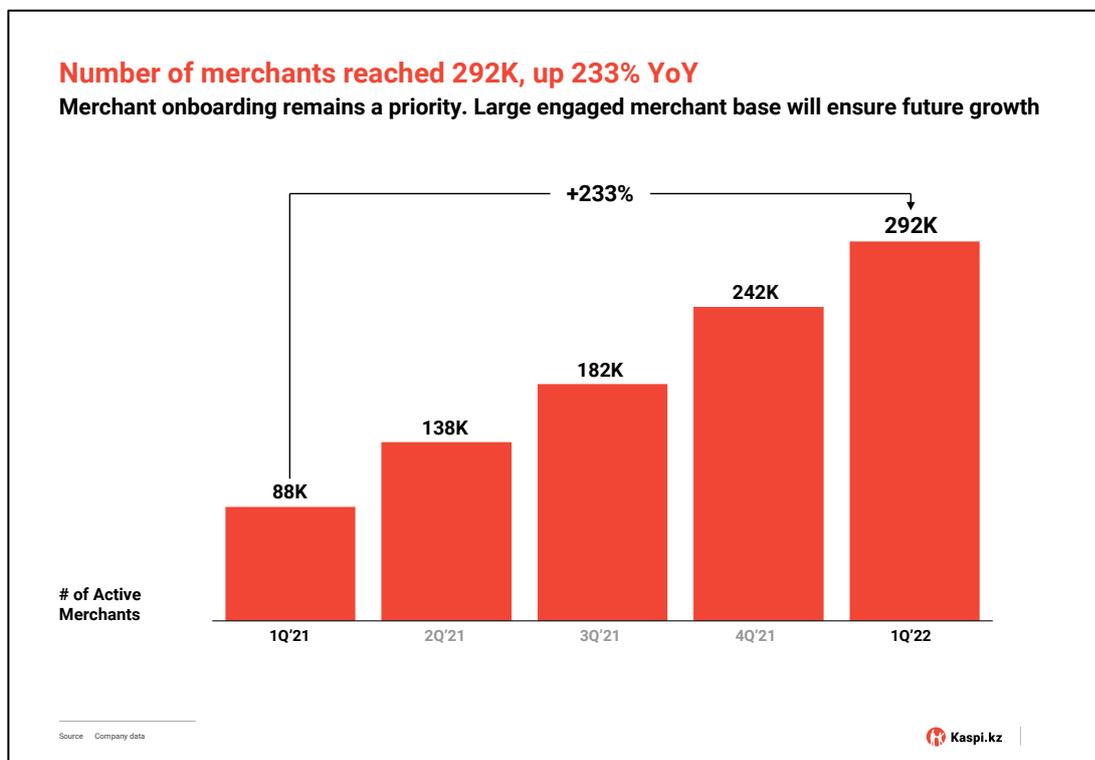
**11.4 million Kaspi.kz Super App users. Engagement up again
DAU up 34% to 7.2 million, 63% DAU to MAU, avg. 53 transactions per consumer/month**

Kaspi.kz’s Super App is an extremely strong product proposition and gives our Payments, Marketplace and Fintech Platforms unrivalled competitive advantages. During the first quarter of 2022, irrespective of the macro backdrop the underlying structural drivers of our business remained healthy and Super App user and engagement levels continued to reach all-time highs.

DAU (Daily Active Users) increased 34% year-over-year to 7.2 million, a substantially faster rate than MAU (Monthly Active Users), which increased by 14% year-over-year to 11.4 million. Highly discoverable transaction linked products and services make the Kaspi.kz Super App integral to consumers’ daily lives. The ratio of DAU to MAU reached 63%, which is amongst the highest levels of user engagement of any Super App globally and another step-up, compared to 54% in the first quarter of 2021.

New products and services help increase engagement, by facilitating digital transactions across more areas of regular household spending. Average monthly transactions per active consumer, one of our most important performance metrics, increased by 63% year-over-year to 53.1 from 32.5 during the first quarter of 2021.

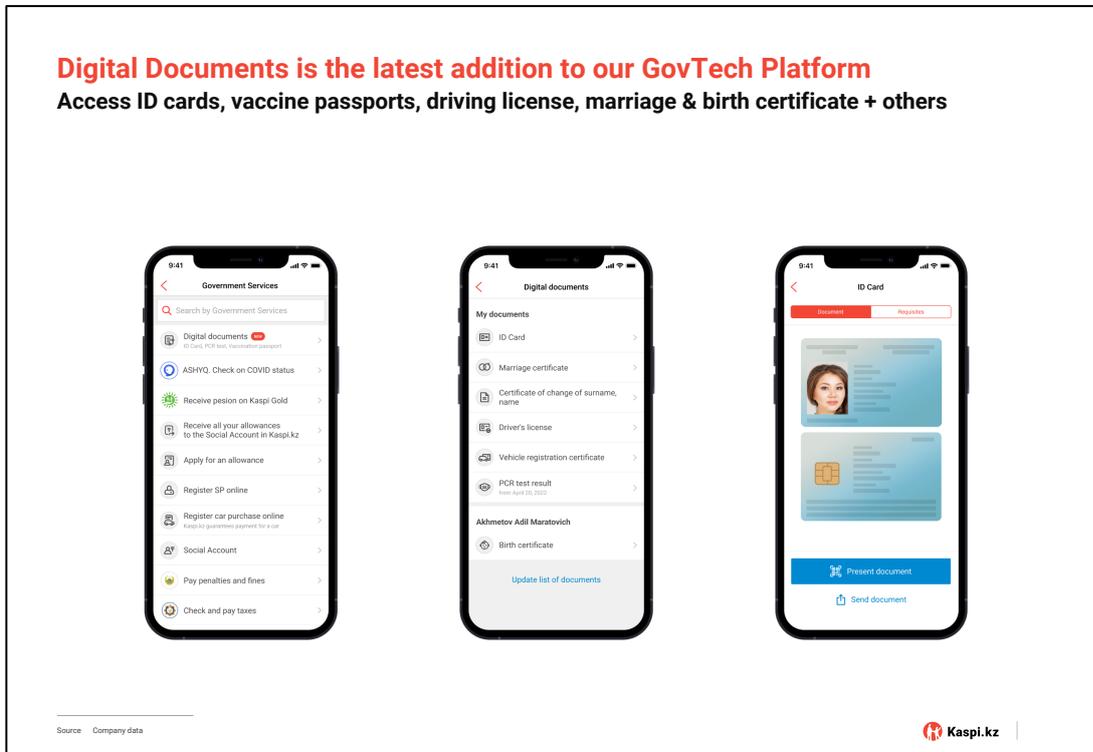
To drive engagement and transaction levels higher, over the last year we have prioritised onboarding as many merchants, as rapidly as possible. The results remain strong and during the first quarter of 2022, growth in the total number of active merchants increased 233% year-over-year to reach 292K. We expect growth in our merchant base to remain at elevated levels for the remainder of this year.



Products like Kaspi QR, m-Commerce and Instant Invoicing all facilitate merchant acquisition. In turn, with a large and highly engaged merchant base, we can now grow earlier stage merchant services including e-Commerce, B2B payments Kaspi Delivery, Kaspi Marketing and financing for merchants and SMEs. These products all help our merchants invest in their businesses, increase their sales, reach new customers and the growth opportunity ahead is substantial. A large and compelling merchant base, combined with high quality and innovative digital products will drive ongoing strong transaction growth across all our platforms.

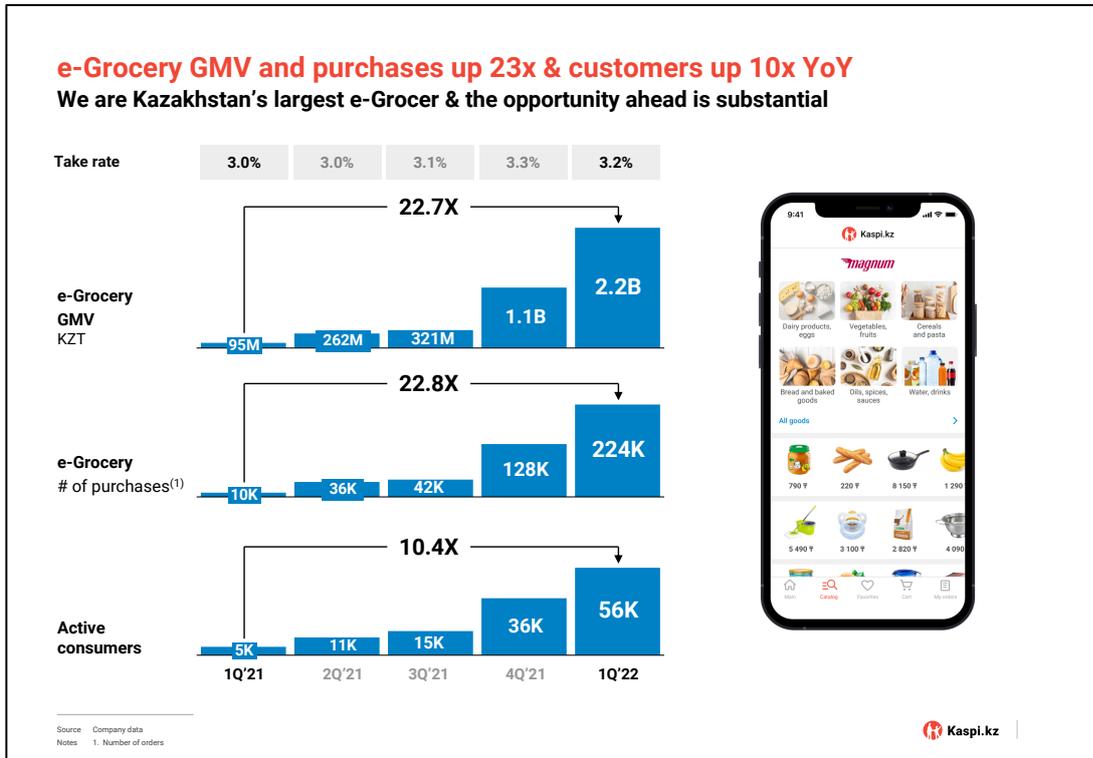
Similar to our merchant strategy, products like P2P, Bill Payments, BNPL, Kaspi QR and our GovTech Platform are the foundation of our day-to-day relationship with consumers. Going forward, we will grow less mature services including m-Commerce, e-Commerce, Kaspi Travel and our recently launched e-Grocery proposition. These services all help our consumers discover the products they need, at the best possible prices, from local merchants, with the convenience of free delivery, ultimately saving consumers time and money. With consumer penetration across our full range of Super App services still low, here too the opportunity ahead remains significant.

We will also continue to launch new products and services. During the first quarter of 2022 we added Digital Documents on our GovTech Platform. Consumers can access their ID cards, vaccine passport, driver's license, marriage certificate, birth certificate and other digital documents via the Kaspi.kz Super App. Over 1.5 million consumers used the service in its first weeks post launch.

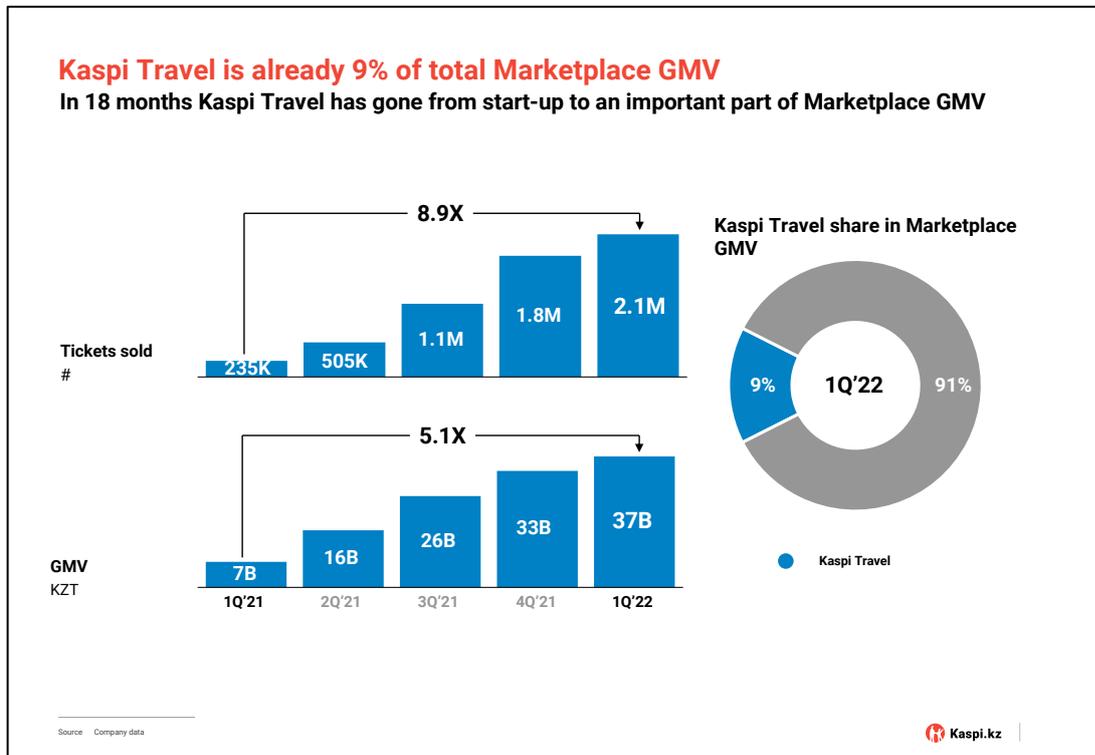


In 2022 and beyond, we will also prioritise Kaspi e-Grocery, which is a significant future opportunity. Initial consumer feedback is extremely positive and if we're successful, e-Grocery can have dramatically positive implications for Super App engagement and

Marketplace GMV growth. During the first quarter of 2022 e-Grocery GMV increased 22.7x year-over-year, with the number of customers up 10.4x.



From start-up status just 18 months ago, Kaspi Travel is now Kazakhstan's no.1 online flight and rail booking service. Kaspi Travel reached 9% of Marketplace GMV in the first quarter of 2022 and going forward we will continue to broaden Kaspi Travel's offering.



Combined with the recovery in international travel, we expect Kaspi Travel to be additive to Marketplace growth.

Kaspi.kz 1Q 2022 financial highlights

Revenue up 45% and adj. net income up 49% YoY in 1Q22

During the first quarter of 2022, total revenue growth, increasing by 45% year-over-year to reach KZT264,321 million.

Our Payments Platform continues to deliver excellent results due to the success of Kaspi Pay. Having significantly expanded our Marketplace merchant base, m-Commerce GMV trends are also very strong. In e-Commerce, demand remains strong but we decided to postpone promotional campaign in March due to the negative backdrop. This partially muted GMV trends and lowered take-rate, but we have started to gradually ramp-up campaign activity again. Kaspi Travel GMV growth is extremely strong and additive to overall Marketplace growth. Higher Fintech origination throughout 2021, translated into strong revenue growth in the first quarter of 2022, but again our deliberate decision to take a cautious approach to TFV origination more recently, will lead to gradually moderating Fintech revenue growth over the remainder of the year.

During the first quarter of 2022, adj. net income increased 49% year-over-year to KZT117,113 million. Adj. net income profitability increased to 44.3% from 43.0% in the first quarter of 2021.

As our proprietary payments network scales, we continue to eliminate third-party costs, as well as benefitting from our Payments Platform's operational gearing. Marketplace Platform profitability was broadly flat, with lower marketing activity and tight cost control offsetting investment in free delivery for consumers. Our Fintech Platform's profitability was also underpinned by lower marketing spending and tight cost control, which offset more cautious macro cost of risk assumptions and lower yield.

Our cash generation remained and our Board of Directors has now approved a GDR buyback agreement for up to \$100 million.

Payments Platform

RTPV up 60%, growing significantly faster than TPV, revenue up 59% & adj. net income up 73% 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 huge 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 exceed their customers' expectations and grow their businesses.

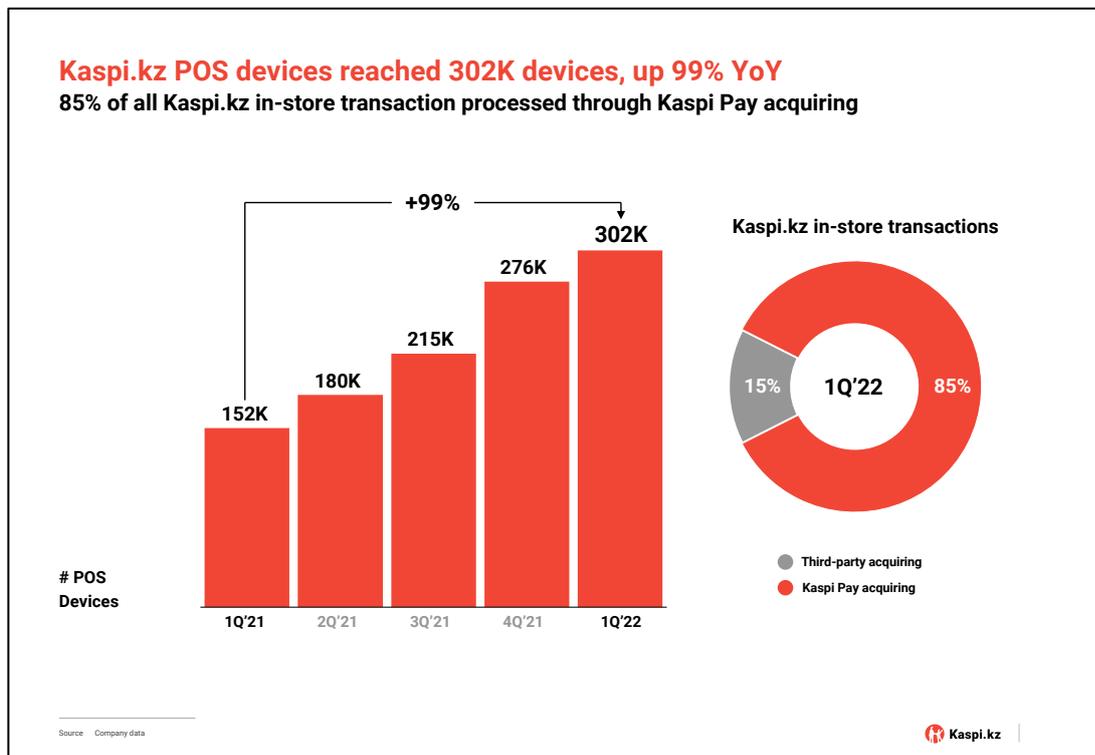
Payments Platform products are also amongst our most important tools to attract new customers and increase engagement, making their popularity fundamental to Kaspi.kz's

growth outlook. With this in mind, we continue adding new opportunities to spend and pay, which is a function of new merchants and product development.

In the first quarter of 2022, Payments Platform merchant onboarding remained strong, up 252% year-over-year to 292K merchants. The benefits of this will be seen throughout 2022 as existing merchants shift more of their volumes to Kaspi Pay, leading to ongoing strong growth in RTPV. We also expect elevated growth in new merchants to remain a theme for the remainder of the year.

In the first quarter of 2022, there were 302K active Kaspi Pay POS devices, up 99% year-over-year.

By creating our own closed-loop proprietary payments network, we have eliminated the need for third-party processors and Kaspi Pay offers merchants and consumers at scale, a best-in-class end-to-end experience. This resulted in Kaspi Pay acquiring accounting for 85% of all Kaspi Gold POS in-store retail transactions during first quarter of 2022, with third-party acquirers now only processing 15% of our transactions.



As we add new opportunities to pay, consumer growth has remained robust. Payments Platform active consumers increased 23% year-over-year, to reach 10.0 million, in the first quarter of 2022.

During the first quarter of 2022, Total Payment Value (TPV) increased by 46% year-over-year to reach KZT12.8 trillion. Revenue Generating TPV (RTPV) increased 60% to reach KZT3.6 trillion. RTPV continues to grow significantly faster than TPV, a trend that is a direct result of our success rolling out Kaspi POS devices. Going forward, we will continue working hard to

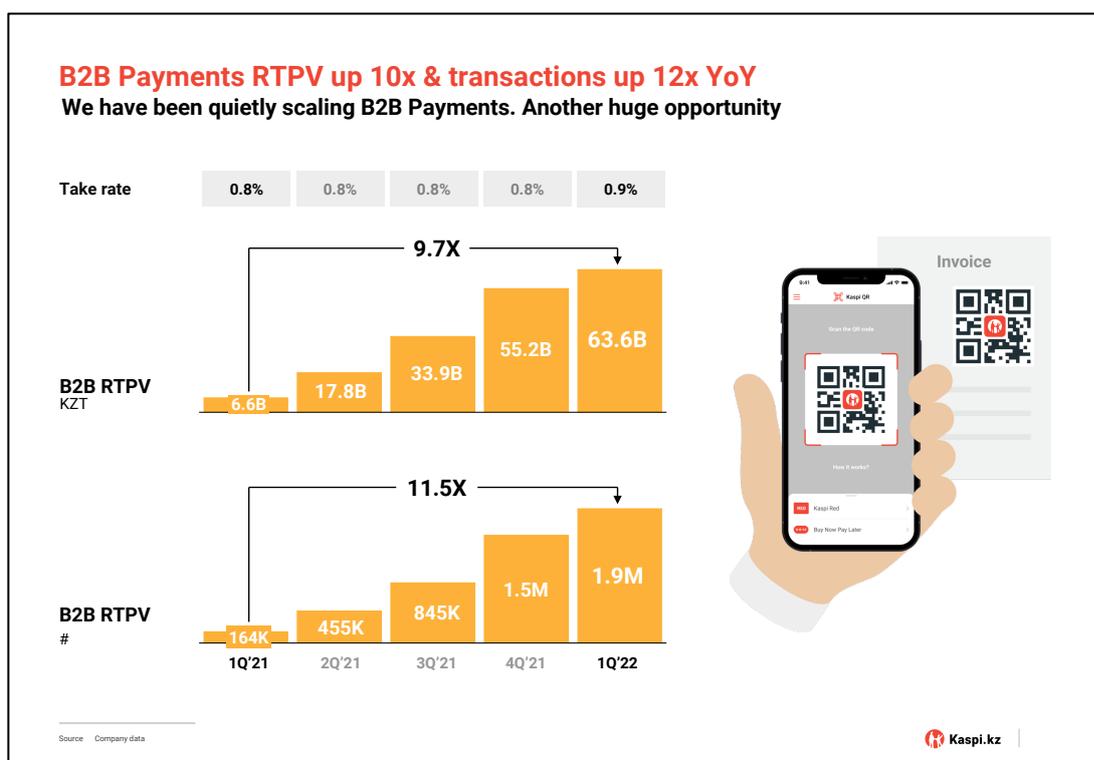
ensure Kaspi Pay keeps playing its part helping Kazakhstan complete its transition to a cashless digital economy.

Average balances increased 44% year-over-year in the first quarter of 2022 to KZT639 billion.

During the first quarter of 2022, Payments Platform revenue growth increased 59% year-over-year to reach KZT63,587 million. Take-rate in the first quarter of 2022 was 1.2%.

Payments Platform adj. net income increased by 73% year-over-year to KZT39,438 million, with net income profitability of 62.0% up significantly from 57.0% in the first quarter of 2021. 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 platforms operational gearing.

In 2021, Kaspi Pay B2B emerged as an extremely fast-growing component of our RTPV. Our B2B proposition is primarily targeted at small merchants and allows them to settle their invoices from wholesalers instantly and conveniently. During the first quarter of 2022, B2B RTPV increased 9.7x year-over-year to KZT63.6 billion and reached 2% of RTPV. Although it is still early days, we believe Kaspi Pay B2B can emerge as a transformative product, put us in pole position to design other innovative merchant products and is another way we can help Kazakhstan’s SMEs go from strength to strength.



In 2022, we will continue to aggressively ramp-up our merchant base and expect this to 1) contribute to ongoing strong growth in RTPV and 2) a more diverse mix of Payments Platform revenue streams including B2B payments. We continue to expect growth in average balances of around 20% year-over-year. This moderation from prior years is a

natural consequence of growth in Payments Platform consumers stabilising but is none the less robust, as opportunities to transact expand.

Marketplace Platform

GMV up 50%, revenue up 40% & adj. net income up 39%

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, at the best possible prices from a wide range of merchants. In particular, Kaspi Marketplace champions domestic Kazakh brands and merchants.

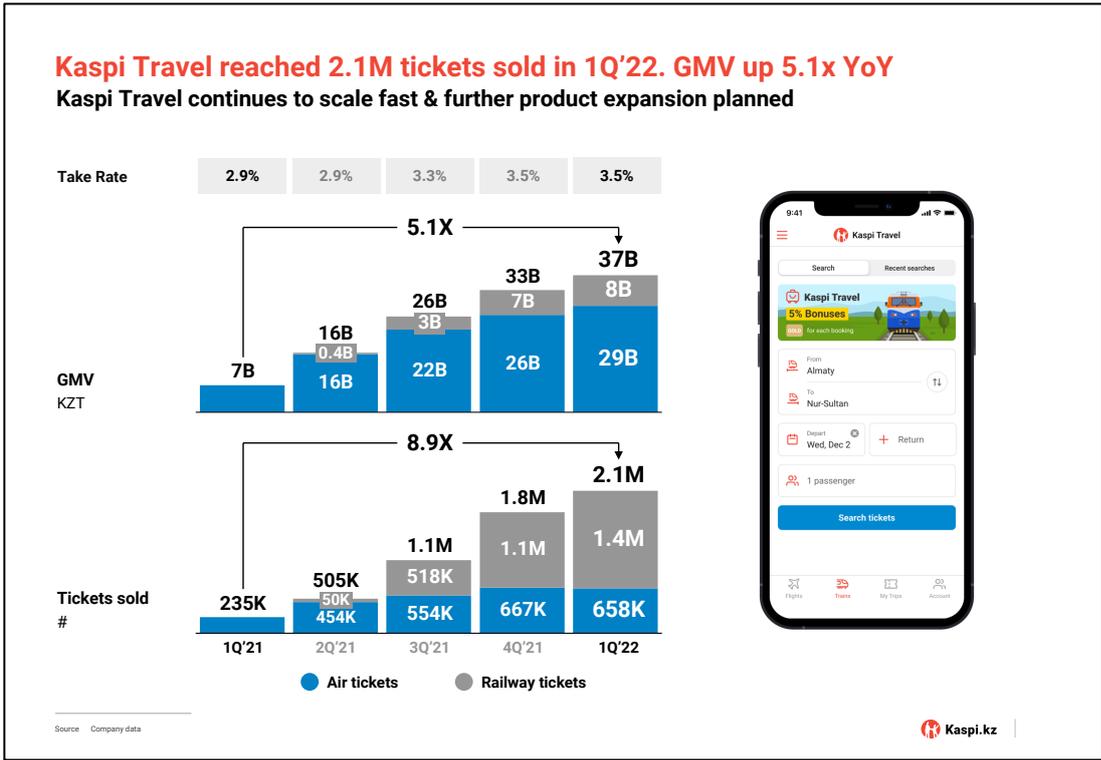
m-Commerce is our mobile solution for shopping in person, while consumers can use e-Commerce to shop anywhere, any time with free delivery. Kaspi Travel allows consumers to digitally book domestic flights, international flights and domestic rail tickets. Taken together we offer a unified shopping experience, irrespective of online or offline, making us relevant across practically all areas of consumer spending.

Just as with our Payments Platform, the rapid expansion of our Marketplace merchant base is now an important strategic priority. We're focused on digitally onboarding Kaspi Pay merchants to Marketplace and during the first quarter of 2021, Marketplace merchants increased to 163K, an acceleration to 346% year-over-year growth. Over the same period, Marketplace consumers growth increased 50% year-over-year to 5.0 million.

We expect merchant growth to remain at high levels throughout 2022, with more merchants and an enhanced assortment leading to ongoing fast growth in consumers and transactions per consumer. An enlarged merchant base will contribute to rapid growth from earlier-stage products like Kaspi Delivery and Kaspi Marketing over the medium-term.

During the first quarter of 2022 and especially in March, we decided to postpone Marketplace promotional campaigns due to the negative backdrop. This partially muted GMV trends, especially in e-Commerce but despite this Marketplace GMV still increased 50% year-over-year to KZT428 billion. m-Commerce had an excellent quarter and delivered 66% year-over-year GMV growth.

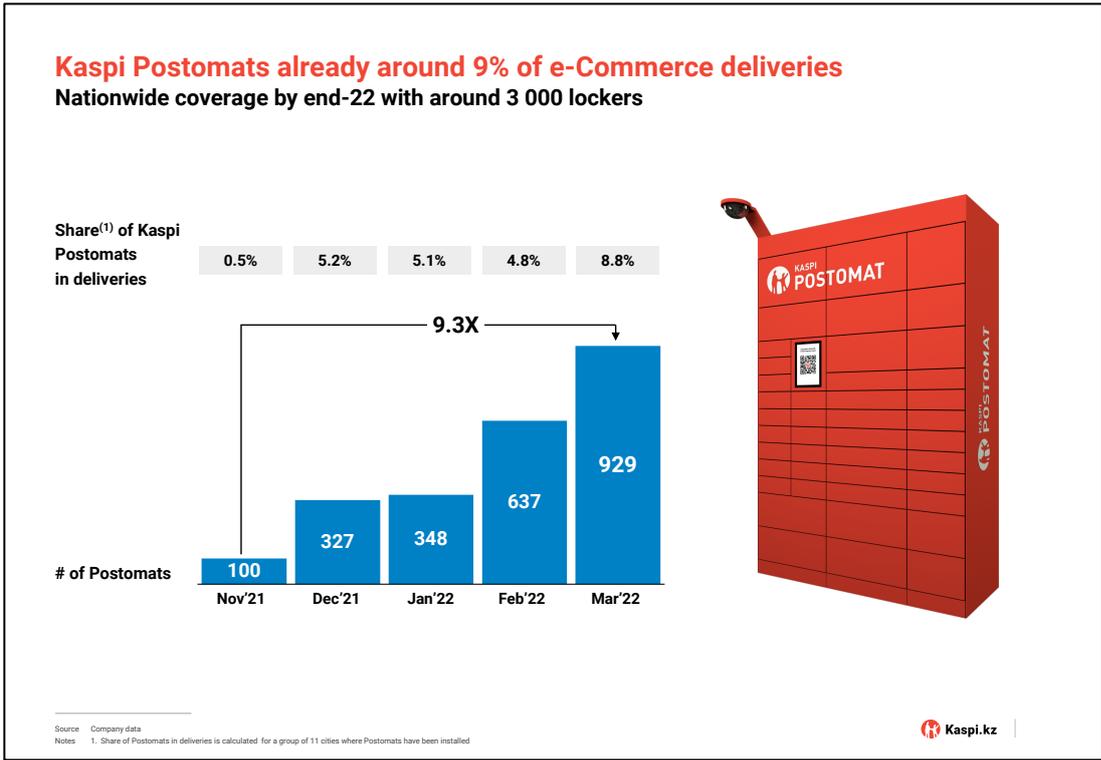
Kaspi Travel's GMV increased 5.1x year-over-year to KZT37 billion during the first quarter of 2022, with ticket sales up 8.9x and 2.1 million tickets sold during the same period. Kaspi Travel's GMV reached 9% of Marketplace GMV, which is impressive scale given that we only launched Kaspi Travel just 18 months ago.



e-Commerce demand remained strong with orders up 71% year-over-year but reduced promotional activity negatively impacted the sale of higher value e-Commerce items, leading overall GMV to increase 14% year-over-year. For the remainder of 2022, we expect items sold to continue growing faster than GMV, as we significantly expand the breadth and depth of highly relevant everyday items, albeit at lower price points. However, we will gradually ramp-up campaign activity again, which should lead to higher e-Commerce GMV growth.

The expansion of Kaspi Smart Logistics Platform to more cities and introduction of free delivery for consumers is helping us grow our e-Commerce merchant and consumer base. In the first quarter of 2022, orders delivered increasing 107% year-over-year. Delivery now accounts for almost 91% of orders, was free for the consumer for 95% of orders, with 53% of orders delivered within 48 hours.

During the third quarter of 2021, we started to roll out Kaspi Postomat and have already added 929 lockers by the end of March. These lockers are now installed in 11 cities across the country and account for 8.8% of e-Commerce deliveries. We use Kaspi.kz’s proprietary big data to identify the most appropriate locations and consumer feedback is very positive. In 2022, we plan to have around 3,000 Postomats, which should give us Kazakhstan’s largest locker and last mile delivery network.



At scale, the addition of Kaspi Postomat to the Kaspi Smart Logistics Platform significantly enhances its value proposition for consumers, merchants and delivery partners. We're very happy with our investment in free delivery, which is giving our consumers a superior shopping experience, helps local merchants to sell nationwide and is helping us build a differentiated e-Commerce offering vs other digital shopping platforms.

Marketplace take-rate declined to 7.5% from 8.0% in the first quarter of 2021 and resulted in Marketplace revenue growth of 40% year-over-year to KZT32,674 million.

For the first time, we are now disclosing m-Commerce and e-Commerce take-rate separately. During the first quarter of 2022, m-Commerce and e-Commerce take-rates were 7.4% and 8.7% respectively. Lower underlying take-rate year-over-year reflects growth in supermarkets GMV which is a substantial revenue opportunity but take-rate dilutive. Reduced promotional activity also contributed to lower take rate but as mentioned previously we expect promotional activity to increase going forward. The inclusion of Kaspi Travel reduces reported Marketplace take-rate, although Travel's take-rate increased to 3.5% from 2.9% in the first quarter of 2021, due to the growing share of higher take-rate rail bookings. These trends are consistent with our previous 2022 Marketplace take-rate guidance of around 8.5% (excluding Travel), which is equivalent to around 8% (including Travel).

During the first quarter of 2022, Marketplace Platform adj. net income reached KZT20,081 million, representing a 39% increase year-over-year. Net income profitability was broadly stable at 61.5% from 62.1% in the same period in 2021. Stable profitability resulted from lower marketing activity and tight cost control, offsetting investment in free delivery.

In 2021 we started testing e-Grocery, in partnership with Magnum, Kazakhstan's largest food retail chain. Kazakhstan's grocery market was valued at \$12 billion in 2021, making it the largest possible spending opportunity our Marketplace can address. Under this partnership Magnum is responsible for operating dark stores, purchasing SKUs (currently 33K) and same day, free delivery to consumers. Our main role is to generate orders and sales, define assortment and pricing. We also provide integrated payments via Kaspi Pay and leverage Kaspi Marketing to run highly personalised advertising campaigns.

We started pilot testing e-Grocery last year and within month's volumes scaled so fast that we are already Kazakhstan's no.1 e-Grocer, albeit in a nascent market. In the first quarter of 2022, 56K consumers made 224K orders. Average ticket size was around \$18. Going forward, scaling e-Grocery is now one of our most important priorities and although average ticket-size and take-rate are lower than our Marketplace average, we would expect a strong e-Grocery proposition to be materially additive to Kaspi.kz Super App volumes and engagement levels.

Our Marketplace cohort analysis shows us that the breadth and depth of our merchant proposition is one of the most important drivers of transactions per consumer growth and our long-term competitive advantage. In this regard, we expect to continue merchant onboarding at high levels. We expect to see continued strong growth from Kaspi Travel as consumer adoption increases, new products are added and demand for international travel recovers. We also expect rapid growth of e-Grocery and on the back of our enhanced merchant offering, Kaspi Smart Logistics will continue to scale.

Marketing activity will gradually normalise and with all this combined we expect to see accelerating Marketplace GMV growth over 2022. We will continue to invest in free consumer delivery but do not expect this to have a negative impact on Marketplace profitability.

Fintech Platform

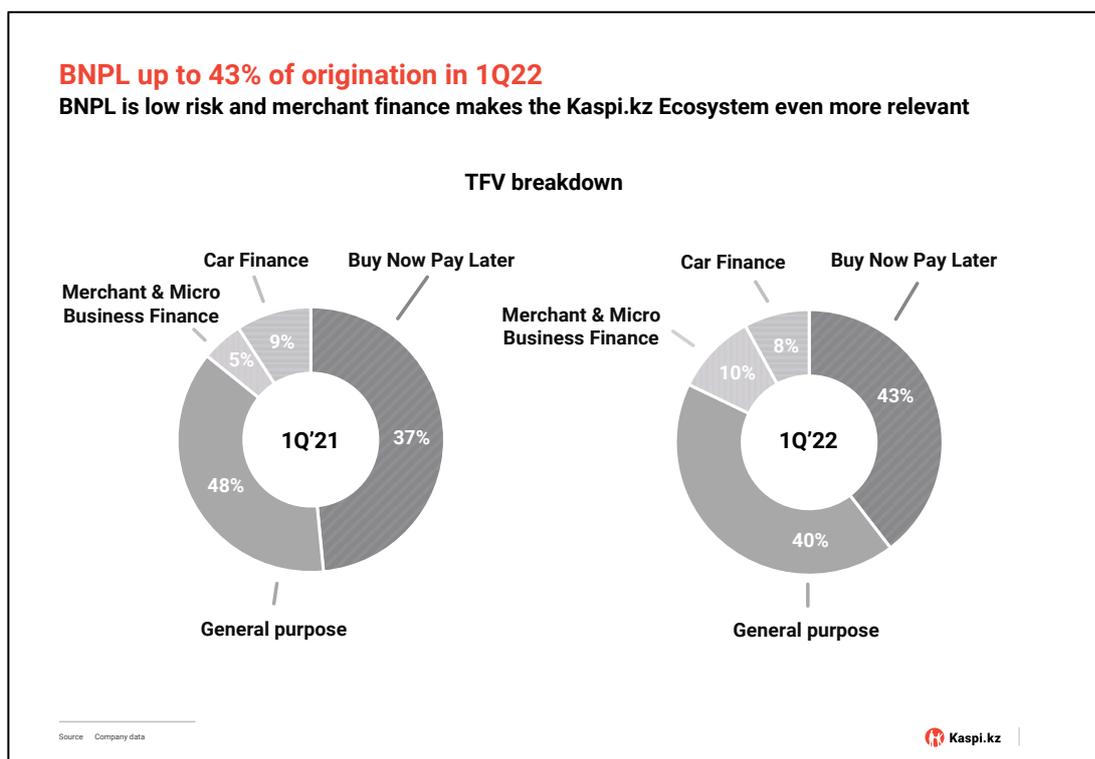
TFV up 21% YoY, Buy-Now-Pay-Later 43% of origination & 1.6% credit CoR

The short-term nature of all our financing and more specifically Buy-Now-Pay- Later (BNPL) products allow us to quickly ramp-up or scale back origination as we observe changes in the consumer environment. During the first quarter of 2022, Total Finance Value (TFV) increased 21% year-over-year to KZT872 billion. This reflects our deliberate decision to take a more cautious approach to origination in January and especially in March, in response to deteriorating macro visibility. We have many years of experience and know that it is always best to quickly act conservatively during periods of increased macro volatility. We are now well positioned to gradually accelerate TFV growth in the second half of the year, assuming a stable external backdrop.

Our average net loan portfolio increased by 67% year-over-year, reaching KZT2.4 trillion during the first quarter of 2022. Total deposits increased by 26% year-over-year to KZT2.7 trillion, leading our loan to deposit ratio to increase to 88% from 67% in the first quarter of 2021 but remain stable quarter-on-quarter. We view this level of loan to deposit ratio as broadly optimal.

Higher portfolio conversion of 2.2x in the first quarter of 2022, up from 1.6x in the first quarter of 2021, reflects higher early repayments levels, as healthy consumers borrow, transact and repay with increasing frequency. With our consumer credit quality remaining extremely high, we expect to continue benefiting from rapid portfolio conversion throughout 2022.

Low risk, small ticket, short duration Buy-Now-Pay-Later (BNPL) loans accounted for 43% of TFV in the first quarter of 2022, making them our most important Fintech Platform product. Our Merchant and Micro Business Finance products continue to gain traction quickly, accounting for 10% of TFV, during the same period.



Fintech yield was 27.1% during the first quarter of 2022, which reflects the growing share of BNPL and Merchant Finance loans and is consistent with our full-year guidance of around 25%.

During the first quarter of 2022, our underlying credit related cost of risk was stable at 1.6%. Stable credit cost of risk reflects the low-risk nature of our products, ongoing improvements in our data driven origination capabilities, as well as our efforts to constantly improve the efficiency of our collection processes. More cautious macro factor assumption, led to an increase in total cost of risk to 3.3%. However, as near-term macro assumptions are amortised, we still expect our full year credit cost of risk to be around 2%.

Fintech Platform revenue increased by 43% year-over-year, reaching KZT170,483 million during the first quarter of 2022. As a result of lower Fintech TFV in the first quarter of 2022, Fintech revenue growth will moderate in the short-term, although this should prove short lived, assuming TFV growth accelerates again later this year.

In the first quarter of 2022, Fintech Platform's adj. net income increased by 39% year-over-year to reach net income of KZT57,594 million. Adj. net income margin of 33.8% was stable compared with 34.6% in the first quarter of 2021. Flat profitability reflected lower marketing activity and tight cost control, which offset lower yield and higher cost of risk macro factors.

Assuming stabilisation in the macro-backdrop as 2022 progresses, we expect gradually accelerating TFV origination in the second half of the year. Although we will continue to prioritise our BNPL product, we also expect our Kaspi Business merchant financing and SME products to continue scaling rapidly. BNPL integrated with Kaspi Travel is also expected to see strong growth.

We continue to expect Fintech yield to be around 25% in 2022, which reflects the growing share of BNPL financing and Kaspi Business merchant financing. An increasing share of low-ticket, short-duration origination will ensure average loan portfolio conversion remains high at above 2x.

In 2022 our Fintech Platform should see solid top-line growth, even considering more modest origination and some yield reduction. With ongoing low cost of risk and tight cost control, we expect another year of healthy profitability growth, even taking increasing deposit interest rate costs into account.

Guidance for full-year 2022

Kaspi Travel has achieved meaningful scale with its GMV equivalent to 9% of Marketplace GMV, in the first quarter of 2022. As a result, we will now report and provide Marketplace guidance including Kaspi Travel. This change is currently GMV and GMV growth additive and take rate dilutive for our Marketplace Platform. Marketplace revenue and adj. net income is not impacted. This reporting change has no impact on Kaspi.kz's revenue and adj. net income financials and our underlying 2022 financial guidance remains unchanged. In the interests of transparency, we are providing our full-year 2022 Marketplace KPI guidance both including and excluding Kaspi Travel.

During March we deliberately scaled back credit origination (TFV) and postponed promotional campaigns for our Marketplace Platform. However, the underlying drivers of Kaspi.kz's business, including consumer and merchant trends remain strong. We also continue to see high levels of credit quality. This leaves us well positioned to gradually accelerate TFV growth in the second half of the year, assuming a stable external backdrop. At this stage, even considering reduced macro visibility, we continue to expect Kaspi.kz's consolidated adj. net income to grow by between 20-30% year-over-year in 2022.

FY22 guidance without Kaspi Travel

	2021A	1Q'22A	2022 Guidance
Payments	RTPV	KZT12,935 B	60% YoY Growth
	Average Balances on Current Accounts	KZT523 B	44% YoY Growth
	Take Rate	1.2%	1.2%
	Net Income Margin ⁽¹⁾⁽²⁾	60.5%	62.0%
Marketplace	GMV	KZT 1,762B	41% YoY Growth
	Take Rate	8.5%	7.9%
	Net Income Margin ⁽¹⁾⁽²⁾	66.2%	61.5%
Fintech	TFV	KZT 4,346B	21% YoY Growth
	Conversion Rate	2.4x	2.2x
	Yield	29.4%	27.1%
	Credit Cost of Risk ⁽³⁾	1.6%	1.6%
	Net Income Margin ⁽¹⁾⁽²⁾	39.3%	33.8%
	Adjusted Net Income ⁽¹⁾⁽²⁾	KZT 455B	49% YoY Growth

Source Company data

Notes
 1. 2021 is Adjusted for Share-based Compensation expenses
 2. 2022 is Adjusted for Share-based Compensation, Contribution to charitable fund "For the People of Kazakhstan", Civil unrest losses
 3. Total Cost of Risk including Macro factor of 1.7% equals to 3.3%



FY22 guidance with Kaspi Travel

	2021A	1Q'22A	2022 Guidance
Payments	RTPV	KZT12,935 B	60% YoY Growth
	Average Balances on Current Accounts	KZT523 B	44% YoY Growth
	Take Rate	1.2%	1.2%
	Net Income Margin ⁽¹⁾⁽²⁾	60.5%	62.0%
Marketplace	GMV	KZT 1,844B	50% YoY Growth
	Take Rate	8.2%	7.5%
	Net Income Margin ⁽¹⁾⁽²⁾	66.2%	61.5%
Fintech	TFV	KZT 4,346B	21% YoY Growth
	Conversion Rate	2.4x	2.2x
	Yield	29.4%	27.1%
	Credit Cost of Risk ⁽³⁾	1.6%	1.6%
	Net Income Margin ⁽¹⁾⁽²⁾	39.3%	33.8%
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Share-based compensation expense

Following our IPO, we introduced an LTIP program in 2020. In September 2021, the program was expanded to include 74 senior executives and other key personnel, who will receive Kaspi.kz share options. Awards are payable in annual instalments over a five-year vesting schedule.

Share-based compensation expenses during the first quarter of 2022 amounted to KZT3,693 million.

In March 2022, share options in the quantity of 495,409 shares were exercised from treasury shares under the share-based LTIP plan. Outstanding share options as at 31 March 2022 were 1,658,673.

Total shares outstanding as 31 March 2022 were 192,682,632.

Kaspi.kz Consolidated Income Statement

Consolidated Income Statement⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

	1Q 2021, KZT MM	1Q 2022, KZT MM	1Q 2021 ADJUSTED, KZT MM	1Q 2022 ADJUSTED, KZT MM
Revenue	168,864	253,712	182,793	264,321
growth, %				45%
Interest Revenue	88,592	123,254	88,592	123,254
Fees, Commissions & Other	40,236	53,282	40,236	53,282
Transaction & Membership Revenue	32,006	48,978	32,006	48,978
Seller fees	22,860	32,080	22,860	32,080
Rewards	(13,929)	(10,609)	-	-
Other gains and losses	(901)	6,726	(901)	6,726
Cost of revenue	(56,094)	(72,354)	(55,917)	(72,049)
growth, %				29%
% of revenue	33.2%	28.5%	30.6%	27.3%
Interest Expenses	(40,882)	(50,374)	(40,882)	(50,374)
Transaction Expenses	(2,987)	(5,422)	(2,987)	(5,422)
Operating Expenses	(12,225)	(16,558)	(12,048)	(16,253)
Total net revenue	112,770	181,358	126,876	192,272
growth, %				52%
margin, %	66.8%	71.5%	69.4%	72.7%
Technology & product development	(9,540)	(13,030)	(7,722)	(10,644)
Sales and marketing	(1,415)	(12,190)	(15,344)	(12,676)
General and administrative expenses	(5,529)	(5,436)	(3,344)	(3,866)
Provision expense	(7,409)	(24,147)	(7,409)	(24,147)
Operating income	88,877	126,555	93,057	140,939
growth, %				51%
margin, %	52.6%	49.9%	50.9%	53.3%
Income tax	(14,194)	(23,826)	(14,437)	(23,826)
Net income	74,683	102,729	78,620	117,113
growth, %				49%
margin, %	44.2%	40.5%	43.0%	44.3%

Source: Company data

Notes: 1. 2021 is Adjusted for Share-based Compensation expenses

2. 2022 is Adjusted for Share-based Compensation, contribution to charitable fund "For the People of Kazakhstan", Civil unrest expenses

3. Revenue adjusted for presentation of Rewards in Sale & Marketing expenses

4. In Q1 2022 intergroup revenue of KZT2,421 mm represents interest revenue for Payments that was offset by interest expenses of Fintech. This is due to Fintech partially using Payments' interest free balances to fund its loan portfolio.



Consolidated Balance Sheet

	31-Dec-2021, KZT MM	31-Mar-2022, KZT MM
Cash and cash equivalents	342,101	445,347
Mandatory cash balances with NBK	32,734	36,965
Due from banks	50,903	44,801
Investment securities and derivatives	607,417	541,121
Loans to customers	2,430,737	2,361,366
Property, equipment and intangible assets	85,101	88,492
Other assets	58,931	88,996
Total assets	3,607,924	3,607,088
Due to banks	76,492	75,958
Customer accounts	2,763,043	2,686,129
Debt securities issued	139,711	136,547
Other liabilities	56,318	48,863
Subordinated debt	67,665	65,941
Total liabilities	3,103,229	3,013,438
Share capital	97,530	99,739
Additional paid-in-capital	506	506
Revaluation reserve of financial assets	2,597	(14,170)
Share-Based Compensation reserve	21,242	13,037
Retained earnings	377,852	489,483
Total equity attributable to Shareholders of the Company	499,727	588,595
Non-controlling interests	4,968	5,055
Total equity	504,695	593,650
Total liabilities and equity	3,607,924	3,607,088

Source: Company data



Conference call information

On Monday 25 April 2022 the management of Kaspi.kz will hold 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 first quarter and full-year 2022.

First Quarter 2022 Financial Results Conference Call

Monday, 25 April, 2022

To pre-register for this call, please go to the following link:

<https://www.incommglobalevents.com/registration/client/10501/kaspikz%E2%80%99s-1q22-financial-results-conference-call/>

You will receive your access details via email.

To access the online replay, click on the following link and enter the access code: 622909

<https://www.incommglobalevents.com/replay/7723/kaspikz%E2%80%99s-1q22-financial-results-conference-call/>

About Kaspi.kz

Kaspi.kz's mission is to improve people's lives by developing innovative mobile products and services. At our core is the Kaspi.kz Super App, the leading mobile app in Kazakhstan.

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

Kaspi.kz Super App business model ensures the growth and development of one service contributes to the growth and development of other services, creating a powerful virtuous cycle. Increasing usage of a growing number of services puts Kaspi.kz in a strong position to keep innovating, delighting our users and fulfilling our mission.

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

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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.