



## Kaspi.kz First Quarter 2023 Financial Results

Almaty, Kazakhstan, 24 April 2023 – JSC Kaspi.kz (“Kaspi.kz”, “we”, or the “Company”) which operates the Kaspi.kz and Kaspi Pay Super Apps, today publishes its unaudited consolidated IFRS financial results for the quarter ending 31 March 2023.

### First quarter 2023 highlights

- Average monthly transactions per active consumer up 20% year-over-year to 64.
- To drive transactions even higher, over the last three years we have prioritised onboarding as many merchants, as rapidly as possible. Now our focus is evolving as we aim to increase transaction intensity between consumers and merchants. RTPV transactions increased 56% year-over-year and Total GMV purchases increased 71%.
- e-Grocery, in partnership with Magnum, is seeing strong momentum and extremely positive consumer feedback.
  - e-Grocery GMV up 5.7x, purchases up 4.3x and consumers up 5.5x year-over-year.
  - Plan to invest around KZT20-25 billion per annum over the next 3 years, on track and unchanged.
- Kaspi B2B Payments continues to prove itself as a transformative payments proposition for merchants and their suppliers, with RTPV transactions up 2.5x year-over-year. B2B Payments can be the start of a long list of innovative B2B services.
- The breadth and depth of Marketplace’s product proposition significantly enhanced.
  - e-Commerce SKUs up 2.0x year-over-year to 3.1 million.
  - International package holidays now available on Kaspi Travel.
- We continue to scale Kaspi Smart Logistics Platform, with total orders delivered up 232% year-over-year to 7.7 million.
  - 92% of deliveries free for the consumer.
  - 49% of orders delivered in ≤2 days.
  - 3,980 Kaspi Postomats operational in March 2023 across 102 towns & cities, accounting for 37% of orders delivered. Around 6,000 lockers planned by end-2023.
- First quarter 2023 financials strong, with consolidated Kaspi.kz revenue up 53% and adj. net income up 52% year-over-year.
- 60% of first quarter 2023 adj. net income from our Payments and Marketplace Platforms. Share of contribution from Fintech Platform will keep reducing.
- Preparation for a US listing commenced, subject to market conditions.
- Long-term capital allocation policy unchanged.
  - GDR repurchase program of up to \$100 million launched in March.
  - Based on our first quarter 2023 results, our Board of Directors has proposed a dividend of KZT750/GDR, subject to shareholder approval.
- At our full-year 2022 financial results in February, we provided detailed 2023 KPIs and financial guidance. Since then, trading has remained strong. As previously flagged, we continue to expect year-over-year growth to be 1H and especially 1Q weighted for Marketplace GMV and Fintech TFV, with significantly higher funding costs and ongoing macro volatility likely to remain themes. Notwithstanding, we expect to once again deliver good operating and financial results in 2023.

**To the shareholders of Kaspi.kz:**

*I'm pleased to report that 2023 has got off to a great start. Our consumers and merchants are transacting more and more with us, resulting in strong top-line momentum across all our platforms. However, as you know we've never just been a top-line growth story and our Super App business model is designed to ensure as much growth and revenue as possible drops through to the bottom-line. First quarter 2023 adj. net income growth of 52% year-over-year, isn't too bad in this regard.*

*In every update since our IPO, I've told you that growing our merchant base is our top strategic priority and I think we've delivered. In first quarter of 2023, the number of merchants increased 75% year-over-year to over 500k. This is a remarkable achievement by our team, keeping in mind that we had around 30k merchants just three years ago. In 2023 and beyond we still expect strong growth in new merchants, but now our focus and priority N1 is to grow transactions between consumers and merchants. You can see that this is already happening, with Total GMV and RTPV transactions up 71% and 56% year-over-year respectively and monthly transactions per consumer hitting 64 in the first quarter. Our consumers transact through us 2x per day on average, which is best-in-class by global standards and testament to the relevance of our products to the consumers and merchants who use them.*

*With a large and engaged user base in place, higher transaction intensity is a function of having a broad and growing suite of top-quality, highly relevant, consumer and merchant products. At our full-year 2022 results, we provided cohort analysis, that showed all users, both old and new, are showing no signs of slowing when it comes to transacting on our core Payments and Marketplace Platforms. With new product development extending the role we play, we think growth will remain rapid for many more years to come.*

*e-Grocery is a great example of this. During the first quarter of 2023, e-Grocery transactions increased 4.3x year-over-year to almost 1 million. Currently we operate 3 dark stores in Almaty and Astana, with plans to add another 2 later this year. We keep fine-tuning e-Grocery's customer proposition and operating business model and as we go into 2024, we'll gradually start to open more dark stores, in more cities. Our team knows how to execute and our partner Magnum gives us the best food retail expertise in Kazakhstan. Together we see a lot of potential to create value and as always our goal is not just growth at any cost, but to build a leading and profitable e-grocery business, that is loved by our consumers.*

*Other early-stage products that will grow in importance over the next few years include advertising, a raft of services by Kaspi Delivery, B2B Payments, Kaspi Classifieds and SME financing. All these products are ultimately aimed at driving more transactions and address large market opportunities, that remain underdeveloped. We will also continue to launch new services and our product pipeline in 2023 and beyond looks good.*

*At our full-year 2022 financial results just 2 months ago, we provided detailed 2023 KPIs and financial guidance. Even considering significantly higher funding costs and ongoing macro volatility, we continue to expect strong and profitable growth. All in all, we remain on track to deliver a good 2023 and are upbeat about our mid-term growth prospects.*

*At our last update, I said that nothing has changed in terms of our long-term approach to the allocation of capital. Investing in our growth, be it organic or via M&A is always the first use for the cash we generate. However, if we have excess capital we will return it to our shareholders. Here too, the numbers speak for themselves, as we approach a near 3-year track record of*

*returning substantial amounts of capital. Following the first quarter of 2023, our Board of Directors and subject to shareholder approval, has approved a dividend equivalent to KZT750/GDR. We also continue to buyback our own GDRs and in March launched a new up to \$100 million buyback program.*

*Our commitment to ensuring Kaspi.kz is listed on the most appropriate exchange also remains unchanged. External factors made this impossible last year but higher capital market activity so far this year is encouraging.*

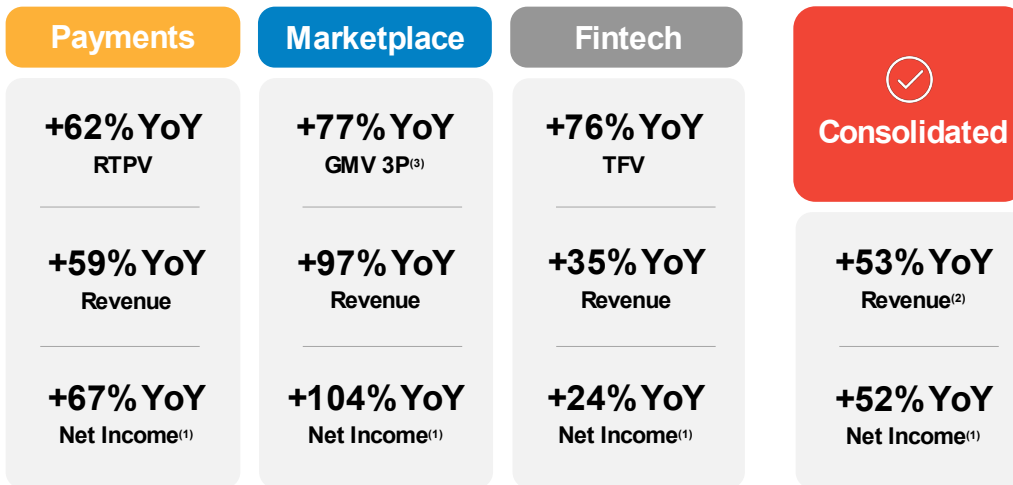
*Kaspi.kz is at the forefront of the new digital revolution, redefined by Super Apps. The combination of our scale with consumers and merchants, reinforced by our Super App strategy, puts us in a completely unique position. With the multi-year structural growth opportunity offered by digitalisation in Kazakhstan and the neighbouring region amongst the most attractive of anywhere globally, we thoroughly intend to capture it.*

*Finally I would like to thank our team for their incredible execution and dedication to our customers. To our long-term shareholders, thank you for your ongoing trust and support.*

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

## 1Q 2023 highlights

Strong top & bottom-line growth



**KZT 750/GDR dividend recommended, subject to shareholder approval**  
**Up to \$100 million GDR buyback program launched in March**

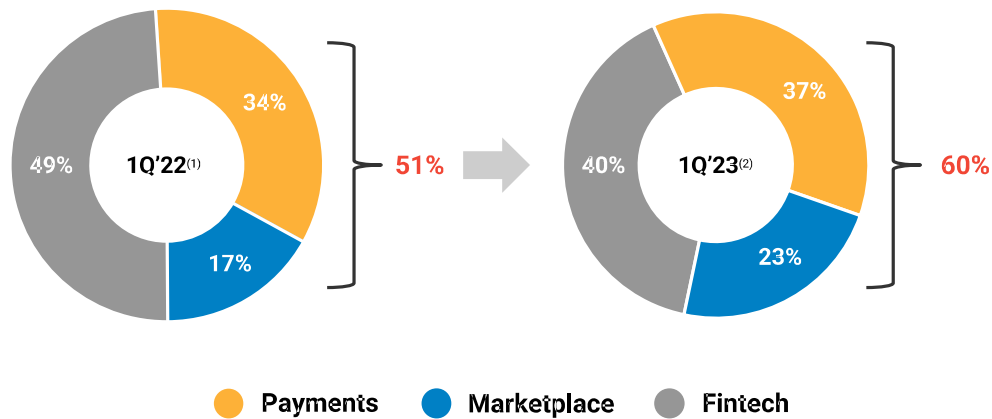
Source: Company data

Notes:  
 1. Adjusted for Share-based Compensation expenses  
 2. Revenue adjusted for presentation of Rewards in Sales & Marketing expenses  
 3. 3P GMV is our customary Marketplace GMV definition - Value of goods and services sold by merchants on a third-party basis across our Marketplace Platform



## Payments & Marketplace 60% of net income in 1Q'23

Faster growth from high margin Payments & Marketplace creates more value



Source: Company data

Notes:  
 1. 2022 is Adjusted for Share-based Compensation expenses, Contribution to charitable fund "For the People of Kazakhstan" in the amount of KZT 10 bn, January events losses in the amount of KZT 0.7 bn  
 2. 2023 is Adjusted for Share-based Compensation expenses; e-Grocery is not material and not shown here; e-Grocery P&L, presented in appendix

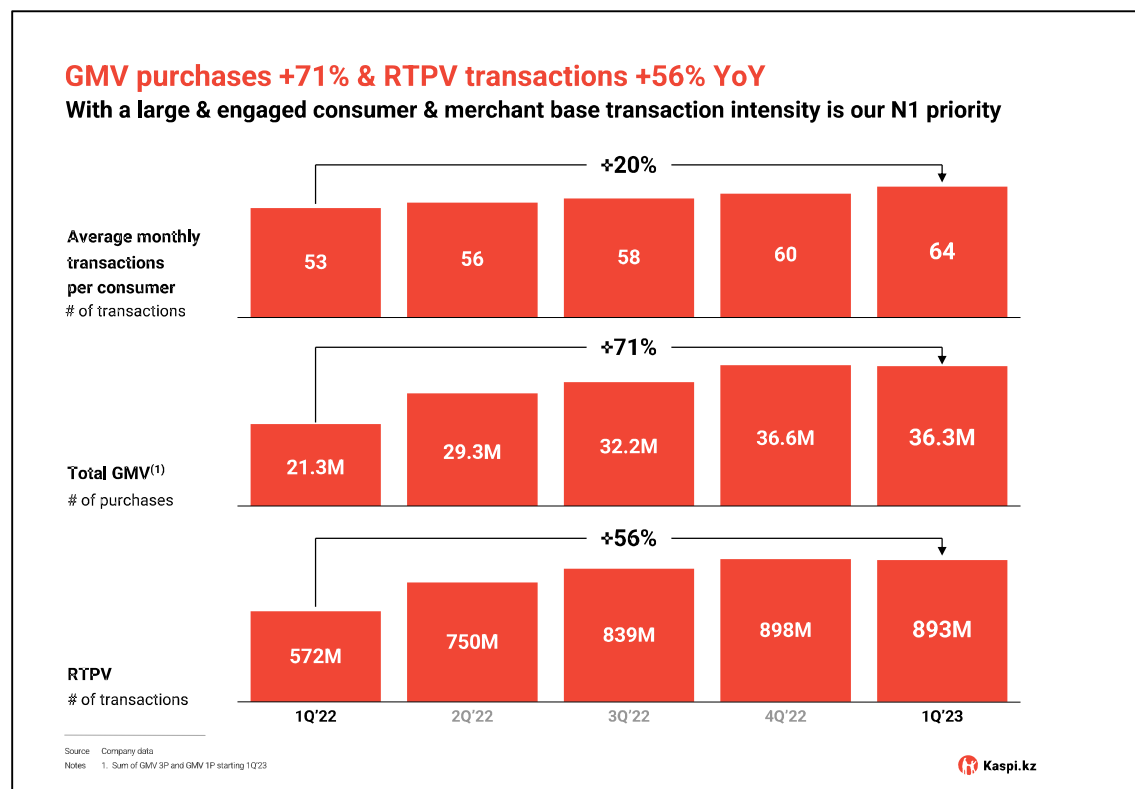


## Kaspi.kz 1Q 2023 Engagement Highlights

**RTPV transactions up 56%, Total GMV purchases up 71% YoY & 64 transactions per consumer/month**

Kaspi.kz's Super App is Kazakhstan's most popular Super App and gives our Payments, Marketplace, Fintech and e-Grocery Platforms unrivalled competitive advantages. During the first quarter of 2023, Super App transaction levels once again hit all-time highs.

Increased adoption of our existing products by merchants and consumers, along with a growing range of new products facilitates higher transactions across more areas of household's spending and merchant's business activity. Average monthly transactions per active consumer, increased 20% year-over-year to 64, during the first quarter of 2023.



To drive transactions higher, over the last three years we prioritised onboarding as many merchants, as rapidly as possible. In 2023 we still expect strong growth in new merchants, but our focus now is to grow the number of transactions between consumers and merchants.

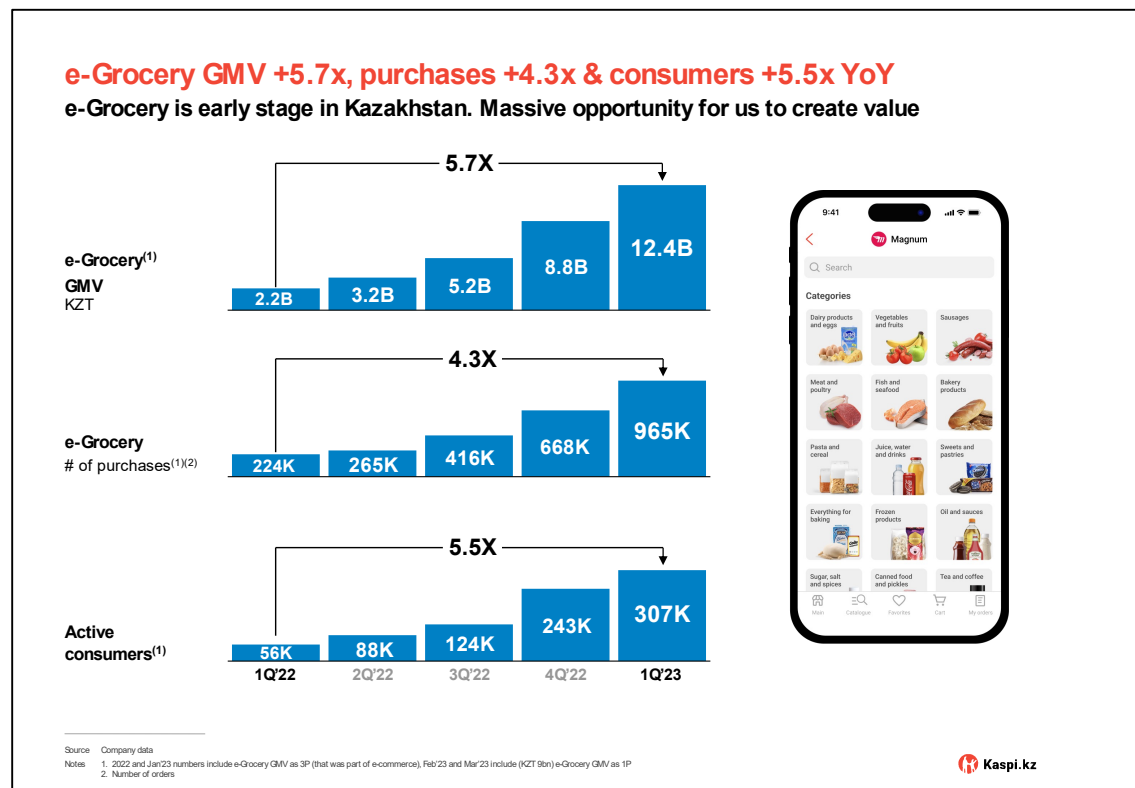
We design high quality digital products to grow and monetize transaction volumes. During the first quarter of 2023, RTPV transactions increased 56% year-over-year and Total GMV purchases including e-Grocery increased 71%. Fast growth in monetized transactions, despite economic volatility, illustrates just how relevant our products are to our customers.

Kaspi Pay and m-Commerce are the basis of our day-to-day relationship with merchants. Going forward, we will grow earlier stage merchant services including e-Commerce, B2B Payments, Kaspi Marketing, Kaspi Delivery and financing for merchants and SMEs. These products all help our merchants invest in their business, reach new customers, increase their sales and ensure we remain their digital partner of choice. The growth opportunity ahead is substantial and as initiatives gradually scale, we will of course provide more detail.

P2P, Bill Payments, BNPL, Kaspi QR and GovTech are fundamental to high day-to-day consumer engagement. Going forward, we will grow less mature services including e-Commerce & Kaspi Postomats, Kaspi Travel’s full range of products, e-Grocery and Kaspi Classifieds. These services help our consumers discover the products they need, at the best possible prices, from local merchants, with free delivery, saving time and money. With consumer penetration across our full range of Super App services still low, here too the opportunity ahead remains significant.

From start-up in Almaty less than two year ago, we now plan to roll out Kaspi e-Grocery nationwide. With an innovative, high-quality digital offering, we believe we can transform the food shopping experience in Kazakhstan. This is a sizeable opportunity and exciting joint project with Magnum, Kazakhstan’s leading food retailer. As e-Grocery scales, it will mean higher Super App engagement, faster financial growth and further value creation for our shareholders.

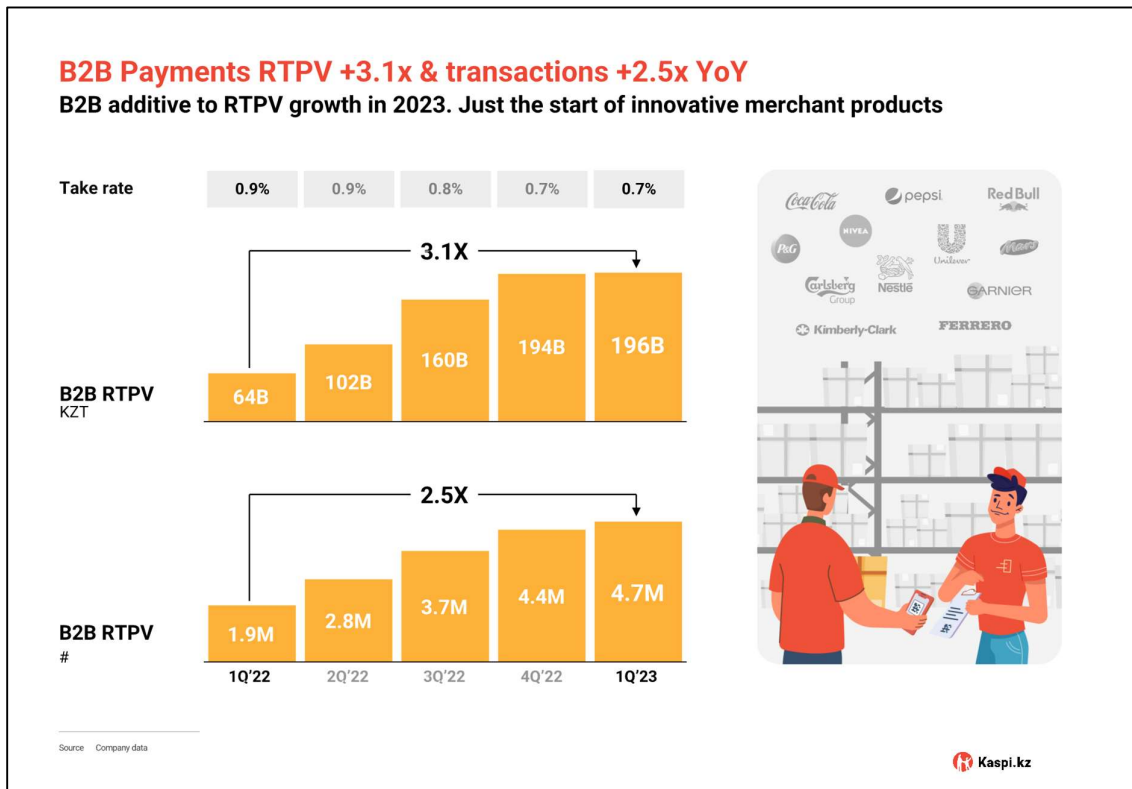
During the first quarter of 2023, e-Grocery purchases increased 4.3x year-over-year, with the number of consumers up 5.5x. We now account for e-Grocery as a stand-alone business segment, no longer part of Marketplace and for the first time have disclosed e-Grocery’s income statement.



Our previously announced plan to invest around KZT20-25 billion per annum over the next 3 years, on track and unchanged.

Kaspi B2B Payments, which was born out of Bill Payments and P2P, is an example of how we can grow transactions by targeting completely new types of customers, in this case wholesalers, distributors and manufacturers.

Number of B2B Payments transactions increased 2.5x year-over-year, during the first quarter of 2023 and with this product still in its early days, we expect B2B Payments to keep growing fast. In the medium- term, B2B Payments can be the start of a long list of innovative B2B services.

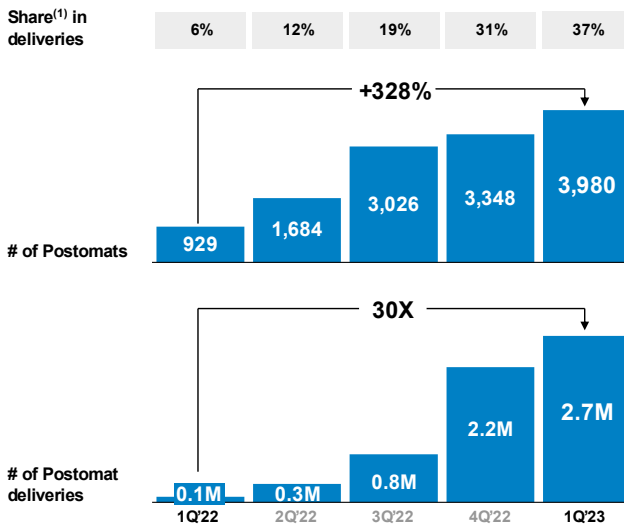


We started to roll out Kaspi Postomats in late-2021 and had 3,980 lockers by the end of March 2023. These lockers are installed in 102 towns and cities and accounted for 37% of e-Commerce deliveries. Postomats increase the share of successful 1<sup>st</sup> time deliveries, lower the cost of last-mile-delivery and will help us protect Marketplace’s long-term profitability.

Postomats are also a key part of our plan to make commerce in Kazakhstan more environmentally sustainable, by dramatically reducing distance driven by couriers. With consumer feedback extremely positive, we’re now planning for around 6,000 Postomats by the end of this year.

## Kaspi Postomats already account for 37% of deliveries

Kaspi Postomats are popular with consumers & merchants. Over 6,000 by end-2023



Source: Company data  
Notes: 1. Share of Postomats in deliveries is calculated for a group of 102 cities/towns where Postomats have been installed.

Kaspi.kz

As always, we will continue to launch new services and our product pipeline in 2023 and beyond is as exciting as ever.

## Kaspi.kz 1Q 2023 Financial Highlights

**Strong top & equally strong bottom-line**

**Revenue up 53% and adj. net income up 52% YoY**

During the first quarter of 2023, total revenue increased 53% year-over-year to KZT404 billion.

Our Payments Platform delivered fast and consistent top-line growth, due to the ongoing success of Kaspi Pay and Kaspi B2B Payments. In Marketplace, we prioritised expanding SKUs, free consumer delivery and the rollout of Kaspi Postomats. Kaspi Travel's GMV growth remained additive to Marketplace growth. Faster TFV origination in the second half of 2022, translated into robust Fintech revenue growth in the first quarter of 2023, even with lower yield year-over-year.

During the first quarter of 2023, adj. net income increased 52% year-over-year to KZT178 billion. Adj. net income profitability of 44% was broadly stable year-over-year.

We continued to benefit from Payments Platform's operational gearing. Marketplace profitability increased year-over-year, despite ongoing investment in free consumer delivery. In Fintech, the combination of yield reduction and significantly higher funding costs lowered profitability, partially mitigated by lower provisioning and tight control of operating costs. Higher funding costs did however help us attract substantial deposit inflows, with average Kaspi Deposit balances up 45% year-over-year. An enlarged deposit base will allow us to fund higher TFV over the medium-term and with the decline in Fintech profitability cyclical, not structural, as interest rates normalise Fintech profitability will recover.



Our faster growing and higher margin Payments and Marketplace Platforms continued to deliver strong bottom-line growth, accounting for 60% of adj. net income, up from 51% in the same period in 2022. In 2023, we expect the contribution to net income from our Payments and Marketplace Platforms to increase again year-over-year.

Our cash generation capacity remains as strong as ever. As a result, our Board of Directors has proposed, subject to shareholder approval, a first quarter 2023 dividend of KZT750/GDR. In addition, in March we commenced a new GDR buyback program of up to \$100mn.

## **Payments Platform**

### ***Strong top-line & even faster bottom-line growth***

***RTPV up 62%, revenue up 59% and adj. net income up 67% YoY***

Our Payments Platform offers a highly convenient way to shop, pay bills and make peer-to-peer payments using the Kaspi.kz Super App. As has been the case globally, in Kazakhstan there has been a huge shift to mobile payments, with consumers demanding a seamless digital experience, no matter where they shop. Kaspi Pay is our response to help merchants exceed their customers' expectations and with Kaspi B2B Payments we are now digitalising supplier payments.

Payments Platform products are also amongst our most important tools to increase engagement. We continue adding new opportunities to spend and pay, which is a function of new merchants and product development.

We have prioritised growth in Payments Platform merchants over the last three years. Merchant growth was up 75% year-over-year in the first quarter of 2023 and is expected to remain strong for the remainder of this year. However, our focus now is transaction intensity and during the period, number of Payments Platform revenue generating transactions increased 56% year-over-year. As merchants shift more of their volumes to us, Revenue Generating TPV (RTPV) will keep growing at a fast rate.

With a large and diverse merchant base, consumer growth remained robust. Payments Platform active consumers increased 16% year-over-year, reaching 11.7 million, in the first quarter of 2023.

During the first quarter of 2023, RTPV increased 62% year-over-year to KZT5.8 trillion. Over the same period, Total Payment Value (TPV) increased 50%. RTPV continues to grow significantly faster than TPV due to our success rolling out Kaspi Pay, B2B Payments and the ongoing popularity of Bill Payments.

Over the last year, Kaspi B2B Payments has emerged as a fast-growing component of our RTPV. Our B2B Payments proposition connects small merchants with wholesalers, distributors and manufacturers, allowing invoices to be settled instantly and conveniently. During the first quarter of 2023, B2B Payments RTPV increased 3.1x year-over-year to KZT196 billion and accounts now for 3% of RTPV. We expect B2B Payments to continue growing significantly faster than Payments RTPV in 2023.

Average interest free balances increased 6% year-over-year in the first quarter of 2023 to KZT678 billion. More modest growth in balances, in part is due to retail disruption and temporarily high balances in the first quarter last year, along with the increased attractiveness of interest bearing Kaspi Deposit accounts. In the second quarter of 2023, we expect higher year-over-year growth in average interest free balances.

During the first quarter of 2023, Payments Platform revenue increased 59% year-over-year to reach KZT101 billion. Take-rate during the same period was stable at 1.2%. Take-rate slightly above our full-year 2023 guidance of around 1.1% guidance, is a function of timing and as Kaspi Pay and B2B Payments keeping growing their share of RTPV, take-rate should gradually move down to around 1.1%.

Payments Platform adj. net income increased 67% year-over-year to KZT66 billion, with net income profitability of 65.1% compared to 62.0% in the first quarter of 2022. Payments Platform profitability continues to benefit from the elimination of third-party costs, our proprietary payments network's operational gearing and tight cost control.

In 2023 we continue to expect Payments Platform to deliver RTPV growth of around 35% year-over-year, with growth weighted towards the first half of the year. Average current account balances are expected to increase 15%. Take rate will be around 1.1%. With Payment Platform's inherent operational gearing unchanged, adj. net income profitability is expected to be in the mid-60% range.

Looking into the medium-term, Payments Platform cohort analysis continues to show strong growth across every consumer cohort. Existing consumers keep spending more with us and as we add more opportunities to transact, fast growth can be sustained. Kaspi B2B Payments increases our addressable market further. We will stay disciplined on costs, ensuring strong top-line trends, drop through to the bottom-line. As a result, we remain extremely positive about the growth outlook for Payments Platform in 2023 and beyond.

## **Marketplace Platform**

***Strong and accelerating GMV & revenue growth. Faster bottom-line growth  
GMV up 77%, revenue up 97% and adj. net income up 104% YoY***

Our Marketplace Platform connects merchants with consumers and puts us front and centre of their purchasing decisions. Merchants can reach around 12.8 million consumers and consumers can find a wide selection of products and services, at the best possible prices. 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 book domestic and international flights, rail tickets and overseas package holidays. Marketplace and e-Grocery offer a unified digital experience, irrespective of online or offline and are relevant across practically all areas of consumer spending.

Just as with our Payments Platform, the expansion of our Marketplace merchant base has been an important focus. Now we're prioritising growth in transactions and during the first quarter of 2023, Marketplace purchases increased 67% year-over-year. When combined with e-Grocery, purchases increased 71% year-over-year.

With the attractiveness of Marketplace's consumer proposition continuing to increase, growth in consumers was strong, up 27% year-over-year to 6.4 million.

Marketplace GMV momentum accelerated again, up 77% year-over-year with GMV reaching KZT756 billion in the first quarter of 2023.

m-Commerce continues to deliver excellent results. During the first quarter of 2023 purchases increased 46% year-over-year. In early 2022 we scaled back promotional activity, but the combination of normal levels of promo and growth in retail trade led to a substantial increase in

average ticket-size year-over-year. As a result, GMV increased 75%, a considerably faster rate than purchases and reached KZT435 billion. Normalised promotional activity resulted in m-Commerce's take-rate increasing to 8.0% from 7.4% over the same period.

In the first quarter of 2023, e-Commerce demand was extremely strong with orders up 216% year-over-year. GMV increased 79% year-over-year to KZT254 billion, marking the fourth consecutive quarter of accelerating GMV growth momentum. GMV growth below order growth, reflects our ongoing efforts to expand the breadth and depth of everyday items at lower price points, in order to enhance Marketplace's long-term competitive position. E-commerce SKUs increased 2.0x year-over-year to 3.1 million. As with m-Commerce, normalised promo, combined with ongoing initial monetization of Kaspi Delivery and Kaspi Advertising resulted in e-Commerce's take-rate increasing to 10.2% from 8.7% over the same period.

Our investment in free nationwide delivery for consumers is helping us attract new e-commerce consumers and merchants and gives Marketplace another long-term competitive advantage. In the first quarter of 2023, orders delivered increased 232% year-over-year. Higher delivery volumes enable us to reduce the unit cost of delivery, making it easier and more profitable for our merchants to sell throughout Kazakhstan. Delivery now accounts for 96% of orders, was free for the consumer on 92% of orders, with 49% of orders delivered within 48 hours.

We started to roll out Kaspi Postomat in late-2021 and had 3,980 lockers by the end of March 2023. These lockers are installed in 102 towns and cities and accounted for 37% of e-Commerce deliveries, during the first quarter of 2023. Postomats increase the share of successful 1<sup>st</sup> time deliveries, lower the cost of last-mile-delivery and will help us protect Marketplace's long-term profitability. Given positive customer feedback we're now planning for around 6,000 Postomats by the end of this year.

Kaspi Travel's GMV increased 84% year-over-year to KZT68 billion during the first quarter of 2023, with ticket sales up 54% to 3.2 million. Over the same period, take-rate increased by 60bps year-over-year to 4.1%, due to the growing share of higher take-rate rail bookings. Travel's GMV now accounts for 9% of Marketplace GMV, which is impressive scale in just over two years and we have just added international package holidays. For the remainder of this year Travel's fast growth should be additive to Marketplace GMV growth. The addition of package holidays is expected to be take-rate enhancing over the medium-term.

Marketplace take-rate increased to 8.4% from 7.5% in the first quarter of 2022. As a result, Marketplace revenue grew faster than GMV and was up 97% year-over-year to KZT64 billion. Take-rate will vary from quarter-to-quarter due to the timing of promotional events and higher take-rate year-over-year in the first quarter of 2023, should not be extrapolated given very low levels of promotional activity in the first quarter last year. For the remainder of the year increased monetization of Kaspi Delivery and Kaspi Advertising will contribute positively but take-rate dilution from Kaspi Travel will partially offset this and for full-year 2023 we continue to expect a Marketplace take-rate of around 8.5%.

During the first quarter of 2023, Marketplace Platform adj. net income reached KZT41 billion, representing a 104% increase year-over-year. Net income profitability was 63.8% up from 61.5% in the same period in 2022, with increased investment in free consumer delivery fully offset by tight control of sales and marketing costs, as well as technology and product development costs.

In 2023 we continue to expect Marketplace Platform to deliver GMV growth of around 35% year-over-year. As with our Payments Platform, growth will be weighted to the first half of the year and in the case of Marketplace this is especially true of the first quarter. Items sold will continue growing faster than GMV. However, as new lower ticket categories grow in share, faster GMV growth is

coming through and we expect e-Commerce GMV growth to be faster this year than in 2022. Take-rate is expected to increase year-over-year to around 8.5%, which reflects faster growth from high take-rate e-Commerce, which in part is due to higher monetisation of Kaspi Marketing and Kaspi Delivery, partially offset by Kaspi Travel's higher share of GMV. Adj. net income profitability is expected to be around 60%, despite ongoing investments in free consumer delivery.

Looking into the medium-term, as with our Payments Platform, Marketplace Platform cohort analysis continues to show strong growth across every consumer cohort. Enhanced shopping categories lead to more transactions per consumer and help us attract new consumers. Having substantially grown our Marketplace merchant base over the last two years, our focus will pivot to helping existing merchants sell more. Earlier-stage initiatives like Kaspi Marketing, Kaspi Delivery and SME financing are a big part of this and should ensure strong growth from Marketplace Platform in 2023 and beyond.

### **Fintech Platform**

***TFV origination growing fast YoY, healthy CoR trends & strong deposit base growth  
TFV up 76% & deposits up 45% YoY and 1.7% credit CoR in 1Q23***

Our Fintech Platform is fundamentally integrated into our Payments and Marketplace Platforms. 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 transaction activity. Kaspi Deposit accounts fund our origination and the attractiveness of our full range of Super App services, allows us to ensure our funding is sufficient to meet origination and transaction demand.

In the first half of last year and especially the first quarter, we took a cautious approach to Total Finance Value (TFV) origination. In 2023 year-over-year growth is therefore expected to be first half weighted. During the first quarter of 2023, TFV increased 76% year-over-year, to reach KZT1.5 trillion. We finished the quarter with 5.7 million loan consumers, up 15% year-over-year.

Low risk, small ticket, short duration Buy-Now-Pay-Later (BNPL) loans accounted for 43% of TFV in the first quarter of 2023, making them our most important Fintech Platform product. With Kaspi Juma scheduled to take place in both the third and fourth quarters, we expect the share of BNPL to step up again in the second half of the year. Our Merchant Finance products are our fastest growing lending product and accounted for 14% of TFV in the first quarter of 2023, up from 10% in the same period last year. We expect lending to merchants to continue growing at a faster rate than TFV in 2023.

Our average net loan portfolio increased by 32% year-over-year, to KZT3.2 trillion during the first quarter of 2023. Our deposit base has seen substantial growth since the second half of last year and in the first quarter of 2023, average savings increased by 45% year-over-year to KZT4.0 trillion. Deposit consumers increased 35% to 4.0 million. Following strong growth in deposit consumers and deposit inflows, our loan to deposit ratio fell to 79% in the first quarter of 2023, from 88% in same period in 2022 and was stable compared with the fourth quarter of 2022.

During 2022 we raised Kaspi Deposit rates and higher funding costs are resulting in lower near-term Fintech profitability. However, more deposit consumers and an enlarged funding base, will enable us to drive faster origination and more transactions over the medium-term. Hence, we expect our loan to deposit ratio to gradually move up again over the medium-term.

Portfolio conversion of 2.1x in the first quarter of 2023, is in line with trends over the last year, reflecting ongoing high early repayments levels and is indicative of financially healthy consumers

borrowing, transacting and repaying quickly. With no deterioration in consumer credit quality, we expect to continue benefiting from rapid portfolio conversion in 2023.

Fintech yield was 25.3% during the first quarter of 2023, reflecting the growing share of lower yielding BNPL and Merchant Finance loans and consistent with our full-year 2023 guidance of around 25%.

During the first quarter of 2023, our underlying credit cost of risk was 1.7%, with credit quality strong and consistent with trends seen over the last year. Low credit cost of risk in part reflects the low-risk nature of our products, especially BNPL. Our NPL ratio of 6.5%, up from 6.3% at the end of 2022 reflects normal seasonality and is expected to moderate in the second half of the year.

Fintech Platform revenue increased by 35% year-over-year to reach KZT231 billion, during the first quarter of 2023. Fintech revenue growth is benefitting from higher origination in the second half of 2022, partially offset by lower yielding BNPL but remains generally robust.

In the first quarter of 2023, Fintech Platform's adj. net income increased by 24% year-over-year to reach net income of KZT71 billion. Adj. net income margin of 30.9% compares with 33.8% in the first quarter of 2022. Declining profitability mainly resulted from higher year-over-year funding costs, with interest expense up 103% year-over-year. However, higher funding costs were partially offset by lower provisioning and lower sales and marketing, which declined by 37% and 18% year-over-year respectively. When interest rates normalise, we'd expect newly acquired customers to stay with us, resulting in Fintech margins recovering.

We expect TFV year-over-year growth to remain elevated during the first half of 2023 and for the full-year to increase around 35% year-over-year. Although we will continue to prioritise our BNPL product, we also expect Kaspi Business merchant and SME financing products to keep scaling rapidly. BNPL integrated with Kaspi Travel is also expected to see strong growth, especially as package holidays gather momentum. Changing product mix is reflected in our yield guidance of around 25%. With consumer credit quality high, portfolio conversion and cost of risk trends are expected to be broadly similar to 2022. Fintech adj.net income profitability of around 30%, primarily reflects the near-term impact of higher funding costs.

Looking beyond 2023, our Fintech Platform remains extremely well positioned, as evidenced by ongoing growth in loan and deposit customers, as well as deposit inflows. Structural top-line growth will be driven by BNPL as well as merchant and SME financing, which is underpenetrated in Kazakhstan. Bottom-line growth will benefit through-the-cycle, from normalising funding costs and we see further potential to improve our risk management capabilities, which all combined points to a robust top and bottom-line mid-term outlook for Fintech.


## Guidance for full-year 2023

At our full-year 2022 financial results in February, we provided detailed 2023 KPIs and financial guidance. Since then, trading has remained strong. As previously flagged, we continue to expect year-over-year growth to be 1H and especially 1Q weighted for Marketplace GMV and Fintech TFV, with significantly higher funding costs and ongoing macro volatility likely to remain themes. Notwithstanding, we expect Kaspi.kz to once again deliver good operating and financial results in 2023.

**FY23 guidance reiterated**

	2022A	3M'23A	2023 Guidance
Payments	RTPV	KZT19,913 B	62% YoY Growth
	Average Balances on Current Accounts	KZT633 B	6% YoY Growth
	Take Rate	1.2%	1.2%
	Net Income Margin <sup>(1)(2)</sup>	62.9%	65.1%
Marketplace	GMV	KZT 2,872B	77% YoY Growth
	Take Rate	8.2%	8.4%
	Net Income Margin <sup>(1)(2)</sup>	65.1%	63.8%
Fintech	TFV	KZT 5,411B	76% YoY Growth
	Conversion Rate	2.0x	2.1x
	Yield	26.6%	25.3%
	Credit Cost of Risk	1.9%	1.7%
	Net Income Margin <sup>(1)(2)</sup>	34.1%	30.9%
	Adjusted Net Income <sup>(1)(2)</sup>	KZT 620B	52% YoY Growth

Source: Company data  
Notes: 1. 2022 is Adjusted for Share-based Compensation expenses, Contribution to charitable fund "For the People of Kazakhstan", January events losses  
2. 2023 is Adjusted for Share-based Compensation expenses

 Kaspi.kz

## GDR buyback program

On the 22 March 2023 we announced the commencement of a new 4-month GDR repurchase program. The programs aggregate purchase amount is for up to USD 100 million.

Total GDR's outstanding as at 31 March 2023 were 190,353,730.

## Potential listing in the United States

We have previously commented that we are considering the possibility of listing Kaspi.kz in the United States. We see multiple potential benefits from a US listing, including an enlarged, more diverse shareholder base and increased trading liquidity. We have now started to prepare for such an event, albeit remain in the early stages, with any transaction naturally contingent upon market conditions.

## Conference Call Information

On Monday, 24 April 2023 the management will hold a conference call and webcast at 1.00pm (London) (8.00am U.S. Eastern Time, 6.00pm Astana time) to review and discuss the company's results for the quarter ending March 31 2023.

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

<https://www.netroadshow.com/events/login?show=d4713773&confId=49188>

You will receive your access details via email.

## Kaspi.kz Platform Income Statements

### Payments Income Statement<sup>(1)(2)(3)</sup>

	1Q 2022, KZT MM	1Q 2023, KZT MM	1Q 2022 ADJUSTED, KZT MM	1Q 2023 ADJUSTED, KZT MM
<b>Revenue</b>	63,587	101,205	63,587	101,205
<b>growth, %</b>	-	-	-	59%
Transaction & Membership Revenue	47,365	76,796	47,365	76,796
Interest Revenue	16,222	24,409	16,222	24,409
<b>Cost of revenue</b>	(6,537)	(9,235)	(6,537)	(9,235)
<b>growth, %</b>	-	-	-	41%
<b>% of revenue</b>	10.3%	9.1%	10.3%	9.1%
Transaction Expenses	(4,832)	(5,566)	(4,832)	(5,566)
Operating Expenses	(1,705)	(3,669)	(1,705)	(3,669)
<b>Total net revenue</b>	57,050	91,970	57,050	91,970
<b>growth, %</b>	-	-	-	61%
<b>margin, %</b>	89.7%	90.9%	89.7%	90.9%
Technology & product development	(5,153)	(7,746)	(4,170)	(6,838)
Sales and marketing	(8,938)	(6,131)	(4,919)	(6,066)
General and administrative expenses	(886)	(1,000)	(671)	(739)
<b>Operating income</b>	42,073	77,093	47,290	78,327
<b>growth, %</b>	-	-	-	66%
<b>margin, %</b>	66.2%	76.2%	74.4%	77.4%
Income tax	(7,852)	(12,403)	(7,852)	(12,403)
<b>Net income</b>	34,221	64,690	39,438	65,924
<b>growth, %</b>	-	-	-	67%
<b>margin, %</b>	53.8%	63.9%	62.0%	65.1%

Source: Company data

Notes: 1. 2022 is Adjusted for Share-based Compensation expenses, contribution to charitable fund "For the People of Kazakhstan", January events expenses  
2. In Q1 2022 Inter-group revenue of KZT12,423 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.  
3. 2023 is Adjusted for Share-based Compensation expenses



## Marketplace Income Statement<sup>(1)(2)</sup>

	1Q 2022, KZT MM	1Q 2023, KZT MM	1Q 2022 ADJUSTED, KZT MM	1Q 2023 ADJUSTED, KZT MM
<b>Revenue</b>	32,674	64,245	32,674	64,245
<b>growth, %</b>	-	-	-	97%
Seller fees	32,080	63,436	32,080	63,436
Other gains (losses)	594	809	594	809
<b>Cost of revenue</b>	(3,596)	(8,658)	(3,596)	(8,658)
<b>growth, %</b>	-	-	-	141%
<b>% of revenue</b>	11.0%	13.5%	11.0%	13.5%
Transaction Expenses	(37)	(67)	(37)	(67)
Operating Expenses	(3,559)	(8,591)	(3,559)	(8,591)
<b>Total net revenue</b>	29,078	55,587	29,078	55,587
<b>growth, %</b>	-	-	-	91%
<b>margin, %</b>	89.0%	86.5%	89.0%	86.5%
Technology & product development	(2,871)	(4,193)	(2,399)	(3,864)
Sales and marketing	(3,715)	(2,474)	(2,091)	(2,451)
General and administrative expenses	(369)	(566)	(369)	(527)
<b>Operating income</b>	22,123	48,354	24,219	48,745
<b>growth, %</b>	-	-	-	101%
<b>margin, %</b>	67.7%	75.3%	74.1%	75.9%
Income tax	(4,138)	(7,784)	(4,138)	(7,784)
<b>Net income</b>	17,985	40,570	20,081	40,961
<b>growth, %</b>	-	-	-	104%
<b>margin, %</b>	55.0%	63.1%	61.5%	63.8%

Source: Company data

Notes: 1. 2022 is Adjusted for Share-based Compensation expenses, contribution to charitable fund "For the People of Kazakhstan", January events expenses  
2. 2023 is Adjusted for Share-based Compensation expenses



## Fintech Income Statement<sup>(1)(2)(3)</sup>

	1Q 2022, KZT MM	1Q 2023, KZT MM	1Q 2022 ADJUSTED, KZT MM	1Q 2023 ADJUSTED, KZT MM
<b>Revenue</b>	170,483	230,722	170,483	230,722
<b>growth, %</b>	-	-	-	35%
Interest Revenue	109,455	160,911	109,455	160,911
Fees & Commissions	53,282	64,838	53,282	64,838
Transaction & Membership Revenue	1,613	732	1,613	732
Other gains (losses)	6,133	4,241	6,133	4,241
<b>Cost of revenue</b>	(64,644)	(118,832)	(64,339)	(118,503)
<b>growth, %</b>	-	-	-	84%
<b>% of revenue</b>	37.9%	51.5%	37.7%	51.4%
Interest Expenses	(52,797)	(106,964)	(52,797)	(106,964)
Transaction Expenses	(553)	(326)	(553)	(326)
Operating Expenses	(11,294)	(11,542)	(10,989)	(11,213)
<b>Total net revenue</b>	105,839	111,890	106,144	112,219
<b>growth, %</b>	-	-	-	6%
<b>margin, %</b>	62.1%	48.5%	62.3%	48.6%
Technology & product development	(5,006)	(5,735)	(4,075)	(5,231)
Sales and marketing	(10,146)	(4,711)	(5,666)	(4,673)
General and administrative expenses	(4,181)	(3,954)	(2,826)	(2,700)
Provision expense	(24,147)	(15,191)	(24,147)	(15,191)
<b>Operating income</b>	62,359	82,299	69,430	84,424
<b>growth, %</b>	-	-	-	22%
<b>margin, %</b>	36.6%	35.7%	40.7%	36.6%
Income tax	(11,836)	(13,232)	(11,836)	(13,232)
<b>Net income</b>	50,523	69,067	57,594	71,192
<b>growth, %</b>	-	-	-	24%
<b>margin, %</b>	29.6%	29.9%	33.8%	30.9%

Source: Company data

Notes: 1. 2022 is Adjusted for Share-based Compensation expenses, contribution to charitable fund "For the People of Kazakhstan", January events expenses  
2. In Q1 2022 Intergroup revenue of KZT2,423 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 it's loan portfolio.  
3. 2023 is Adjusted for Share-based Compensation expenses





## E-Grocery Income Statement

1Q 2023, KZT MM	
Revenue	8,086
growth, %	n.a.
Retail Revenue	8,014
Other gains (losses)	72
Cost of revenue	(7,546)
growth, %	n.a.
% of revenue	93.2%
Cost of Goods Sold	(5,806)
Operating Expenses	(1,740)
Total net revenue	540
growth, %	n.a.
margin, %	6.7%
Technology & product development	(330)
Sales and marketing	(92)
General and administrative expenses	(258)
Operating income	(140)
growth, %	n.a.
margin, %	-1.7%
Income tax	22
Net income	(118)
growth, %	n.a.
margin, %	-1.5%

Source: Company data

## Kaspi.kz Consolidated Financial Statements

### Consolidated Income Statement<sup>(1)(2)(3)(4)</sup>

	1Q 2022, KZT MM	1Q 2023, KZT MM	1Q 2022 ADJUSTED, KZT MM	1Q 2023 ADJUSTED, KZT MM
<b>Revenue</b>	<b>253,712</b>	<b>395,004</b>	<b>264,321</b>	<b>404,258</b>
<b>growth, %</b>	-	-	-	<b>53%</b>
Interest Revenue	123,254	185,320	123,254	185,320
Fees & Commissions	53,282	64,838	53,282	64,838
Transaction & Membership Revenue	48,978	77,528	48,978	77,528
Seller fees	32,080	63,436	32,080	63,436
Retail Revenue	-	8,014	-	8,014
Rewards	(10,609)	(9,254)	-	-
Other gains (losses)	6,727	5,122	6,727	5,122
<b>Cost of revenue</b>	<b>(72,354)</b>	<b>(144,271)</b>	<b>(72,049)</b>	<b>(143,942)</b>
<b>growth, %</b>	-	-	-	<b>100%</b>
<b>% of revenue</b>	<b>28.5%</b>	<b>36.5%</b>	<b>27.3%</b>	<b>35.6%</b>
Interest Expenses	(50,374)	(106,964)	(50,374)	(106,964)
Transaction Expenses	(5,422)	(5,959)	(5,422)	(5,959)
Cost of Goods Sold	-	(5,806)	-	(5,806)
Operating Expenses	(16,558)	(25,542)	(16,253)	(25,213)
<b>Total net revenue</b>	<b>181,358</b>	<b>250,733</b>	<b>192,272</b>	<b>260,316</b>
<b>growth, %</b>	-	-	-	<b>35%</b>
<b>margin, %</b>	<b>71.5%</b>	<b>63.5%</b>	<b>72.7%</b>	<b>64.4%</b>
Technology & product development	(13,030)	(18,004)	(10,644)	(16,263)
Sales and marketing	(12,190)	(4,154)	(12,676)	(13,282)
General and administrative expenses	(5,436)	(5,778)	(3,866)	(4,224)
Provision expense	(24,147)	(15,191)	(24,147)	(15,191)
<b>Operating income</b>	<b>126,555</b>	<b>207,606</b>	<b>140,939</b>	<b>211,356</b>
<b>growth, %</b>	-	-	-	<b>50%</b>
<b>margin, %</b>	<b>49.9%</b>	<b>52.6%</b>	<b>53.3%</b>	<b>52.3%</b>
Income tax	(23,826)	(33,397)	(23,826)	(33,397)
<b>Net income</b>	<b>102,729</b>	<b>174,209</b>	<b>117,113</b>	<b>177,959</b>
<b>growth, %</b>	-	-	-	<b>52%</b>
<b>margin, %</b>	<b>40.5%</b>	<b>44.1%</b>	<b>44.3%</b>	<b>44.0%</b>

Source: Company data

Notes: 1. 2022 is Adjusted for Share-based Compensation expenses, contribution to charitable fund "For the People of Kazakhstan", January events expenses  
2. In Q1 2022 Intergroup revenue of KZT72,423 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.  
3. 2023 is Adjusted for Share-based Compensation expenses  
4. Revenue adjusted for presentation of Rewards in Sale & Marketing expenses



### Consolidated Balance Sheet

	31-Dec-2022, KZT MM	31-Mar-2023, KZT MM
Cash and cash equivalents	615,360	520,838
Mandatory cash balances with National Bank of the Republic of Kazakhstan	42,917	44,953
Due from banks	25,668	25,297
Investment securities and derivatives	1,076,272	1,350,719
Loans to customers	3,154,810	3,247,058
Property, equipment and intangible assets	131,840	140,113
Other assets	74,780	112,044
<b>Total assets</b>	<b>5,121,647</b>	<b>5,441,022</b>
Due to banks	16,432	133,541
Customer accounts	4,000,690	4,088,985
Debt securities issued	140,378	97,102
Subordinated debt	67,608	60,850
Other liabilities	70,850	64,307
<b>Total liabilities</b>	<b>4,295,958</b>	<b>4,444,785</b>
Issued capital	130,144	130,144
Treasury shares	(94,058)	(111,429)
Additional paid-in-capital	506	506
Revaluation reserve/(deficit) of financial assets and other reserves	(9,201)	4,328
Share-Based Compensation reserve	29,274	17,701
Retained earnings	762,500	946,086
Total equity attributable to Shareholders of the Company	819,165	987,336
Non-controlling interests	6,524	8,901
<b>Total equity</b>	<b>825,689</b>	<b>996,237</b>
<b>Total liabilities and equity</b>	<b>5,121,647</b>	<b>5,441,022</b>

Source: Company data



## **About Kaspi.kz**

Kaspi.kz's mission is to improve people's lives by developing innovative mobile products and services. To deliver upon this we operate a unique two-sided Super App model – Kaspi.kz Super App for consumers and Kaspi Pay Super App for merchants.

The Kaspi.kz Super App is Kazakhstan's most popular mobile app, with 12.8 million MAU in 1Q 2023, 8.3 million of whom access our services daily. The Kaspi Pay Super App is the digital partner of choice for businesses and entrepreneurs in Kazakhstan, with 512K merchant partners in 1Q 2023.

Through these Super Apps consumers and merchants can access our leading Payments, Marketplace, Fintech and e-Grocery Platforms. All our services are designed to be highly relevant to users' everyday needs and enable consumers and merchants to connect and transact, using our proprietary payments network.

In partnership with Magnum, Kazakhstan's largest food retailer, we have launched e-Grocery. Together we are digitalising food retail, with the aim of creating a dramatically better shopping experience. Consumers access e-Grocery using the Kaspi.kz Super App, can choose from around 12k SKUs, at competitive prices, with free same-day delivery.

The combination of a large, highly engaged consumer and merchant base, best-in-class, highly relevant digital products and a capex lite approach, results in strong top-line growth, a profitable business model and enables us to continue 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.