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KASPI.KZ ANNOUNCES FIRST HALF 2020 FINANCIAL RESULTS

Kaspi.kz Super App MAU up 72%, revenue up 32% and net income up 50% YoY in the first half of 2020

JSC Kaspi.kz (“Kaspi.kz”, “we” or the “Company”), the largest digital Payments, Marketplace and Fintech Ecosystem in Kazakhstan with leading market shares in each of its key products and services, today publishes its IFRS consolidated financial statements for the six months ending 30 June 2020.

During the first six months of 2020, despite disruption caused by the COVID-19 pandemic, Kaspi.kz continued to demonstrate strong revenue and profitability growth across its entire Ecosystem. Our financial performance was the result of record usage of the Kaspi.kz Super App, which reached 7.8 million Monthly Active Users (MAU), an increase of 72% from the six months ending 30 June 2019.

COVID-19 has made our market leading digital Payments, Marketplace and Fintech Platforms more important and essential than ever, and with the Kaspi.kz Super App, we remain the driving force behind Kazakhstan’s digital transformation. With the underlying drivers of our Kaspi.kz Ecosystem enhanced and the digital economy in Kazakhstan continuing to offer multi-year structural growth, we expect strong user growth and financial momentum to continue in the second half of 2020 and 2021.

Mikheil Lomtadze, Kaspi.kz CEO, commented:

“Kaspi.kz is well positioned to capture growth from rapid digital transformation, and during the first 6 months of 2020 we delivered excellent results. The Kaspi.kz Super App has always been integral to people’s day-to-day lives, but user and engagement trends since the start of the COVID-19 pandemic have particularly reaffirmed the relevance of our Ecosystem in the unfolding digital future.

Net income growth of 50% year-over-year and high profitability, amidst an extremely challenging backdrop, illustrate the strength of our diverse business model and reconfirm our ability to quickly adapt to sudden and unexpected changes. As we continue leveraging our Kaspi.kz Super App and technological infrastructure to help consumers and merchants to adjust to the new digital reality, we expect to see further strong user engagement result in fast top-line growth and ongoing progress towards our midterm strategic goal of delivering the majority of our profits from our Payments and Marketplace Platforms. We also continue to monitor market conditions closely in relation to a potential initial public offering.”

During the first six months of 2020, consumer growth and engagement levels reached new highs, with the COVID-19 pandemic giving both new and existing users more reasons to use more of our services. In the second half of 2020, we plan to add multiple new services to our Kaspi.kz Super App, including the launch of online travel and digital finance products for small and micro businesses. All of our new products should support user and engagement growth into 2021 and beyond.

BUSINESS HIGHLIGHTS FOR 6 MONTHS ENDED JUNE 30, 2020

Kaspi.kz Super App - MAU increased by 72% reaching 7.8 million

Kaspi.kz Super App is the gateway to our Ecosystem and remains Kazakhstan's most popular mobile app¹. Our Payments, Marketplace and Fintech Platforms have never been more relevant, and the availability of all our services and products through the single Kaspi.kz Super App gives our Ecosystem an unrivalled market position and competitive advantage.

- Kaspi.kz Super App remains the leading mobile app in Kazakhstan, with mobile MAU increasing by 72% from the six months ending 30 June 2019 and reaching 7.8 million.
- Kaspi.kz is now almost entirely a mobile app only Ecosystem, with 90% of transactions taking place through our Super App in June 2020, compared to 68% in June 2019.
- As the Kaspi.kz Super App has become ever more integral to consumers' daily lives, average monthly transactions per active customer have almost doubled year-over-year, increasing to 19.3 transactions from 10.0 for the six months ending 30 June 2019.

Kaspi.kz consolidated performance - revenue up 32%, net income up 50%

- In the first 6 months of 2020, the Company generated total revenue of KZT299,096 million (U.S.\$741 million²), demonstrating 32% year-over-year growth.
- By transitioning payment volumes away from third-party network providers to our own proprietary payment network, we have realized material cost savings, which, combined with stable cost of risk year-over-year and the operating leverage inherent in Kaspi.kz's business model, resulted in a 50% increase in net income year-over-year to KZT115,579 million (U.S.\$286 million).
- Net income margin reached 39% from 34% for the six months ended 30 June 2019.

Payments Platform – TPV up 186%

- Our Payments Platform has always offered consumers a highly convenient way to shop, pay bills and make P2P payments via the Kaspi.kz Super App. As it has been the case globally, COVID-19 has accelerated consumer adoption of contactless mobile payments and Kaspi.kz's Payments Platform has further cemented its position as the Kazakhstan consumers' digital payments method of choice.
- Since the launch of our proprietary payments network in 2019, we have continually taken share from Mastercard and Visa. In June 2020, Kaspi.kz processed transactions accounted for 66%³ of total processed payment volumes in Kazakhstan. By creating our own closed-loop proprietary payments

¹ Based on the results of TNS Gallup's survey (rolling for the 12 months ended 31 March 2020), where 71% of respondents mentioned Kaspi.kz Mobile Super App (leading score among the mobile apps referenced in the survey).

² Here and further throughout this announcement, U.S.\$ values are calculated based on the U.S.\$/KZT average exchange rate for 1H20, comprising KZT403.84.

³ According to the NBK, in June 2020, Kaspi.kz's proprietary payment network transactions accounted for 66% of total payment network transactions in Kazakhstan, while Visa, Mastercard and other international providers had an aggregate share of 29% of total payment network transactions in the country.

network, eliminating the need for 3rd party processors, our Payments Platform not only enables us to offer a complete end-to-end customer experience but has also resulted in material cost savings.

- Total Payment Volume (TPV) on our Payments Platform increased by 186% year-over-year reaching a KZT8.2 trillion (U.S.\$20.3 billion).
- Revenue Generating TPV (RTPV) increased by 80% year-over-year reaching KZT2.4 trillion (U.S.\$5.96 billion)
- Payments Platform revenue increased by 92% year-over-year reaching KZT48,594 million (U.S.\$120 million). Net income increased by 161% year-over-year reaching KZT23,885 million (U.S.\$59 million).
- In the second half of 2020 and into 2021, we plan to continue adding value to merchants and consumers by scaling-up our proprietary payment network and QR contactless payments through the Kaspi.kz Super App.

We have also made the strategic decision to create Kaspi Pay LLC, a separate legal entity fully owned by Kaspi.kz that will incorporate our Payments Platform technology and will give us greater flexibility to offer innovative payment products, as well as pursue M&A, joint ventures and strategic partnerships in Kazakhstan and across the CIS region.

Marketplace Platform – online GMV up 77%

- Our Marketplace Platform connects merchants with consumers, enabling merchants to increase their sales 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 behavior of consumers, and our Marketplace Platform with its no.1 market share in e-commerce⁴ and Kaspi Delivery solution was able to meet the rapidly evolving needs of shoppers and merchants in Kazakhstan.
- Online Gross Merchandise Volume (GMV) grew by 77% to KZT114 billion (U.S.\$281 million) year-over-year, and accounted for 42% of our overall Marketplace GMV, up from 27% in first 6 months of 2019. With consumer adoption of online shopping increasing, we expect to see our Online GMV growth, which has accelerated to 124% year-over-year after the first 8 months of 2020 and now accounts for 50% of overall Marketplace GMV, continue to grow at a significantly faster rate than our Total GMV.
- Total GMV reached KZT271 billion (U.S.\$671 million), representing an increase of 12% year-over-year.
- The revenue of our Marketplace Platform grew 22% year-over-year reaching KZT19,151 million (U.S.\$47 million). Net income reached KZT10,213 million (U.S.\$25 million), representing a 6% increase year-over-year.

⁴ Market size based on Euromonitor 2019 data, Kaspi's online GMV (value of items sold through Kaspi.kz marketplace) based on Kaspi data

- In the second half of 2020 and beyond, we expect to continue expanding the number of merchants and range of products available on our Marketplace, including a significantly wider cross-border offering. As restrictions on physical retail are eased, we will once again step up the rollout of our mobile shopping QR solution, which is perfectly designed for convenient, contact free shopping and will allow us to lead the digitalization of the offline shopping experience in Kazakhstan.

Fintech Platform – stable cost of risk at 4.2%

- Through the Fintech Platform we offer our consumers instant and seamless access to digital finance including consumer finance and deposit products. We have been rapidly transitioning to making our Fintech products entirely mobile only and as with our Payments and Marketplace Platforms, COVID-19 only served to accelerate this trend. In June 2020, 91% of TFV (Total Finance Value) was originated through the Kaspi.kz Super App.
- Our average net loan portfolio increased by 16% year-over-year, reaching KZT1.3 trillion (U.S. \$3.1 billion). Yield increased to 33.2% from 31.3% for the six months ending 30 June 2019.
- Cost of risk was stable year-over-year at 4.2% despite the deterioration in the economic environment, illustrating the strength of our data driven real time risk management capabilities.
- The short-term nature of all our financing and more specifically buy-now-pay-later products allows us to quickly ramp-up or scale back our origination as we observe changes in the consumer environment. TFV was KZT694 billion (U.S. \$1.718 billion), a decrease of 20% year-over-year reflecting a more cautious approach to new lending from mid-March.
- As consumers transact more frequently on our Kaspi.kz Super App, they are also placing more of their savings with Kaspi.kz. We increased our retail deposits portfolio by 12% since the end of 2019 to KZT1,719 billion (U.S. \$4.3 billion), resulting in record loan-to-deposit ratio of 68% in the six months ended 30 June 2020.
- Fintech Platform revenue increased by 25% year-over-year reaching KZT231,351 million (U.S. \$573 million). In the first half of 2020, our Fintech Platform's net income increased by 40% year-over-year reaching net income of KZT81,481 million (U.S.\$202 million).

Guidance for full year 2020

- Payments Revenue Generating TPV growth of 75-80% year-over-year
- Marketplace GMV growth of 25-30% year-over-year, mostly driven by growth of online GMV
- Average net loan portfolio growth 10-15% year-over-year
- Cost of risk below 3.5%
- Kaspi.kz net income growth above 30% year-over-year

About Kaspi.kz

Kaspi.kz operates the largest Payments, Marketplace and Fintech Ecosystem in Kazakhstan with the mission to improve people's lives by developing innovative products and services that revolutionize the way our customers pay, shop and manage personal finances. We drive consumer engagement by crafting a seamless user experience, leveraging state-of-the-art technology and proprietary big data analytics. At the core of the Kaspi.kz Ecosystem is our Kaspi.kz Super App, the leading mobile app in the country with 8 million Monthly Active Users as at August 2020.

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Certain statements in this announcement are not historical facts and are "forward looking". Forward looking statements include statements concerning the Company's plans, expectations, projections, objectives, targets, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, plans or goals relating to development projects, financial position and future operations and development, the Company's business strategy and the trends we anticipate in the industries and the political and legal environment in which we operate and other information that is not historical information. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward looking statements will not be achieved. Given these risks and uncertainties, be cautioned not to place undue reliance on such forward looking statements. We do not intend and we do not assume any obligation to update any forward looking statement contained herein.

In addition, this announcement contains information concerning the Company's industry and its market and business segments generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the industry, and the Group's market and business segments, will develop. These assumptions are based on information currently available to the Company. If any one or more of these assumptions turn out to be incorrect, actual market results may differ from those predicted. While the Company does not know what effect any such differences may have on the Group's business, if there are such differences, they could have a material adverse effect on the Group's future results of operations and financial condition.