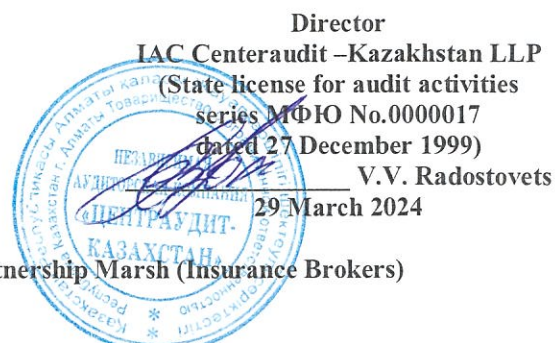


**Marsh(Insurance Brokers)
Limited Liability Partnership**

Financial statements
for the year ended 31 December 2023
and Independent auditor's report

Contents

Independent auditor's report	
Statement of profit and loss and other comprehensive income.....	1
Statement of financial position	2
Statement of changes in equity	3
Statement of cash flows	4
1. Company information	5
2. Basis of preparation	5
3. Material accounting policy information	6
4. General and administrative expenses	12
5. Deferred tax assets	12
6. Net gain on foreign currency transactions	13
7. Cash and cash equivalents	13
8. Receivables	14
9. Property, plant and equipment and intangible assets	14
10. Right-of-use asset and lease liability	14
11. Payables	15
12. Other liabilities	15
13. Equity	15
14. Contingent financial liabilities	15
15. Related party transactions	16
16. Fair value of financial instruments	17
17. Capital management	17
18. Risk management policies	17
19. Events after the reporting period	20



Director

IAC Centeraudit –Kazakhstan LLP

(State license for audit activities

series МФЮ No.0000017

dated 27 December 1999)

V.V. Radostovets

29 March 2024

To the Partners and Management of Limited Liability Partnership Marsh (Insurance Brokers)

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of LLP Marsh (Insurance Brokers) (the Company) which comprise the statement of financial position as at 31 December 2023, and the statement of profit and loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Translated from Russian into English



- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with corporate governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Auditor
(Auditor's Qualification Certificate No. МФ-0000801 issued on 20 May 2019)

19, Al-Farabi Ave
Multifunctional Centre Nurlly Tau
1 B, 3 Floor, off 301, 302
050059 Almaty
Republic of Kazakhstan. Statement of financial position



S.S. Rubanov




STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
 for the year ended 31 December 2023

	Notes*	2023	2022
Commission income from brokerage services	3	977,126	856,861
Interest income on deposit	7	2,848	-
Other income		1,248	-
Total income		981,222	856,861
General and administrative expenses, including:	4	(666,258)	(542,492)
Payroll and business trip expenses	4	(450,830)	(295,572)
Management fees for services from Parent company	4	(31,983)	(52,092)
Professional services	4	(20,606)	(14,433)
Depreciation and amortization	4	(26,917)	(25,357)
Taxes, other than income tax	4	(1,790)	(1,083)
Accrual of allowance for expected credit losses	8	(186)	(592)
Interest expense on lease liabilities	10	(3,949)	(6,281)
Net gain (loss) on foreign exchange operations	6	(15,765)	19,672
Total expenses		(686,158)	(529,693)
Profit before income tax		295,064	327,168
Income tax expense	5	(66,611)	(60,825)
Net profit		228,453	266,343
Other comprehensive income		-	-
Total comprehensive income		228,453	266,343

* The notes on pages 5 to 20 form an integral part of these financial statements.

On behalf of Management of the Company:




 A. M. Zamanbekova
 Chief Accountant



LIMITED LIABILITY PARTNERSHIP MARSH (INSURANCE BROKERS)
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (IN THOUSANDS OF TENGE)

STATEMENT OF FINANCIAL POSITION
 as at 31 December 2023

	Notes*	As at 31 December 2023	As at 31 December 2022
Assets			
Current assets			
Cash and cash equivalents	7	379,579	320,052
Receivable	8	568,420	451,720
Prepaid expenses		6,908	5,688
Taxes prepaid		1,939	4,238
Other assets		5,478	784
Total current assets		962,324	782,482
Non-current assets			
Deferred tax assets	5	12,913	8,178
Property, plant and equipment	9	51,917	51,293
Intangible assets	9	1,000	1,265
Right-of-use asset	10	15,547	31,093
Total non-current assets		81,377	91,829
Total assets		1,043,701	874,311
Liabilities and equity			
Current liabilities			
Payables	11	65,336	193,662
Current lease liabilities	10	20,397	21,488
Corporate income tax		69,315	13,919
Dividends payable	13	226,391	-
Other liabilities	12	113,708	40,157
Total current liabilities		495,147	269,226
Non-current liabilities			
Non-current lease liabilities	10	-	18,642
Total non-current liabilities		-	18,642
Total liabilities		495,147	287,868
Partners' equity			
Charter capital	13	320,100	320,100
Retained earnings		228,454	266,343
Total partners' equity		548,554	586,443
Total liabilities and partners' equity		1,043,701	874,311

* The notes on pages 5 to 20 form an integral part of these financial statements.

On behalf of Management of the Company:



A. I. Komarkovsky
 General Manager

A. M. Zamanbekova
 Chief Accountant



STATEMENT OF CASH FLOWS
for the year ended 31 December 2023


	Notes*	2023	2022
Cash flows from operating activities			
Profit before income tax		295,064	327,168
Adjustments for:			
Depreciation and amortization	4	26,917	25,357
Interest lease expense	10	3,949	8,337
Interest income on deposit	7	(2,848)	-
Accrual of allowance for expected credit losses	8	186	592
Unrealised translation differences		18,265	(5,113)
Cash inflow from operating activities before changes in operating assets and liabilities		341,533	356,341
Changes in operating assets and liabilities:			
(Increase)/decrease in operating assets:			
Receivables		(126,414)	(342,859)
Prepaid expenses		(1,220)	(573)
Taxes prepaid		2,299	25,857
Other assets		(4,694)	4,340
Increase/(decrease) in operating liabilities:			
Payables		(127,240)	92,579
Other liabilities		33,600	5,378
Net cash inflow from operating activities before interest and income tax (payment)		117,864	141,063
Receipt of interest on deposit	7	2,421	-
Lease interest payment	10	(3,949)	(8,337)
Income tax payment		(15,500)	-
Net cash inflow from operating activities after interest and income tax (payments)		100,836	132,726
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(11,730)	(3,683)
Net cash outflow from investing activities		(11,730)	(3,683)
Cash flows from financing activities			
Dividends paid	13	-	(43,710)
Repayment of lease liabilities	10	(19,733)	(17,401)
Net cash outflow from financing activities		(19,733)	(61,111)
Total: Increase in cash		69,373	67,932
Effect of exchange rate changes on balance of cash and cash equivalents		(9,846)	12,898
Cash and cash equivalents at the beginning of the reporting period		320,052	239,222
Cash and cash equivalents at the end of the reporting period		379,579	320,052

* The notes on pages 5 to 20 form an integral part of these financial statements.

In 2023 significant non-cash transactions are represented by dividends declared (Note 13).
There are no significant non-cash transactions in 2022.

On behalf of Management of the Company:




A. M. Zamanbekova
Chief Accountant

Translated from Russian into English



1. COMPANY INFORMATION

Company's activities

LLP Marsh (Insurance Brokers) (the Company) is a Limited Liability Partnership, incorporated in the Republic of Kazakhstan in March 2000. The date of the last re-registration is December 28, 2021.

The Company's activity is regulated by the National Bank of Kazakhstan and the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market (the Agency). The Company conducts its business under License №3 dated 26 December 2001 and State Re-registration Certificate №31698-1910-TOO issued by the Ministry of Justice of the Republic of Kazakhstan on 3 May 2001.

The Company's main activity is to provide Kazakhstan and international companies with insurance and reinsurance brokerage services.

The Company is registered at the following address: Samal-2 microdistrict, 97, Zholdasbekov Street, 11 Floor, Almaty, 050051, Republic of Kazakhstan.

In the normal course of business, the Company enters into transactions with the companies of Marsh Group (the Group). These transactions include, but are not limited to brokerage services, management services from the Parent Company, and consulting services. As at 31 December 2023 and at 31 December 2022 the receivables from the Group companies amounted to 38% and 30% of the total assets of the Company, respectively. For the years ended 31 December 2023 and at 31 December 2022 commission income from brokerage services earned from the group amounted to 22% and 35% of total commission income from brokerage services, respectively. Therefore, there is a concentration of the Company's assets and commission income from brokerage services in relation to the group. Information about transactions with related parties is disclosed in Note 15.

Company's partners and ultimate controlling party

As at 31 December 2023 and 31 December 2022, the partners of the Company are as follows:

- Calm Treasury Holdings Limited (formerly MMC Treasury Holdings (UK) Limited) (the Parent Company), United Kingdom, 99% partnership interest;
- Companies Finance Center (Luxembourg) S.à rl., Luxembourg, partnership interest - 1%.

As at 31 December 2023 and 31 December 2022 the ultimate controlling party was Marsh & McLennan Companies, Inc. - a public company listed on the New York, Chicago and London investment exchanges (<https://irnews.marshmclennan.com/stock-information/shareholder-information>).

2. BASIS OF PREPARATION

Statement of compliance

The financial statements of the Company for the year ended 31 December 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Committee (IASB). These financial statements for the year ended 31 December 2023 were approved by management of the Company on 29 March 2024.

Functional and presentation currency

The national currency of the Republic of Kazakhstan is Kazakhstani Tenge (Tenge), which is the functional currency of the Company as it reflects the economic substance of underlying events and circumstances relevant to the Company. Tenge is also the presentation currency. All amounts in these financial statements have been rounded to the nearest thousands of Tenge except where otherwise indicated.

Going concern

These financial statements have been prepared in accordance with IFRSs assuming that the Company will adhere to going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business in the foreseeable future. Management expects the Company to continue its operations on a going concern basis. In making this judgment, management has taken into account the current intentions and financial position of the Company.



Accrual basis

These financial statements except for information about cash flows, have been prepared on an accrual basis of accounting. Under the accrual basis of accounting, results of business transactions and other events when they occur are recognized in the financial statements regardless of payment time. The transactions and events are recognised in the accounting records and included in the financial statements of the periods in which they occurred.

Significant accounting estimates

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and underlying assumptions are based on past experience and other factors deemed relevant in the circumstances. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The most significant estimates relate to the impairment of receivables and the estimated lease term of the office premise.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Summary of significant accounting policies applied by the Company in preparing the financial statements for 2023 is presented below. These provisions are consistently applied in respect to all reported periods, except for adoption of below new and revised standards and IFRIC interpretations effective on or after 1 January 2023.

Financial instruments

Key measurement terms

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a contracting party to the underlying financial instrument. Depending on their classification financial instruments are carried at fair value or amortised cost as described below.

Fair value is an estimate based on market data and not an entity-specific estimate. For some assets and liabilities, observable market transactions or market information may be available.

An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the number of instruments held by the entity. This is the case even if a market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees are used to measure the fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analysed by level in the fair value hierarchy as follows:

level 1 are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, level 2 measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and level 3 measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) increase or decrease, respectively, the fair value of the financial assets or financial liabilities at initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized directly in the statement of profit and loss and other comprehensive income. Measurement at original cost is only applicable to investments in equity instruments that do not have a quoted market price and whose fair value cannot be reliably measured and to derivatives that are linked to, and redeemable by, such equity instruments that do not have a quoted market price in an active market.

Amortised cost is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses.



Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to the maturity amount using the effective interest method. Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium (including fees deferred at origination, if any), are not presented separately and are included in the carrying values of the related items in the statement of financial position.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a shorter period, if appropriate, to the net carrying amount of the financial instrument. The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument.

The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate. For assets that are purchased or originated credit impaired (“POCI”) at initial recognition, the effective interest rate is adjusted for credit risk, i.e. it is calculated based on the expected cash flows on initial recognition instead of contractual payment.

Financial assets

Measurement categories

The Company classifies its financial assets within the scope of IFRS 9 in the following measurement categories: measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost. The classification and subsequent measurement of debt financial assets depends on the Company’s business model for managing the related assets portfolio and the cash flow characteristics of the asset.

The Company’s financial assets include short-term receivables from insurance brokers.

Business model

The business model reflects how the Company manages the assets in order to generate cash flows – whether the Company’s objective is solely to collect the contractual cash flows from the assets (“hold to collect contractual cash flows”), or to collect both the contractual cash flows and the cash flows arising from the sale of assets (“hold to collect contractual cash flows and sell”) or, if neither of and is applicable, the financial assets are classified as part of “other” business model and measured at fair value through profit or loss.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the Company undertakes to achieve the objective set out for the portfolio available at the date of the assessment.

Financial assets are measured at amortized cost because they are held in accordance with the business model to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest.

Financial assets – reclassification

Financial instruments are reclassified only when the business model for managing the portfolio as a whole change. The reclassification has a prospective effect and takes place from the beginning of the first reporting period that follows after the change in the business model. The Company did not change its business model during the current and comparative period and did not make any reclassifications.

Financial assets impairment – credit loss allowance for expected credit losses (ECL)

Debt instruments measured at amortized cost are presented in the statement of financial position net of an allowance for expected credit losses.

The Company assesses, on a forward-looking basis, the ECL for debt instruments measured at amortised cost. The Company measures ECL and recognises the allowance for credit losses at each reporting date. The measurement of ECL reflects: an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, time value of money and all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

For trade receivables, the Company applies a simplified approach in calculating expected credit losses. Consequently, the Company does not monitor changes in credit risk but instead recognizes a loss allowance at each reporting date in an amount equal to lifetime expected credit losses. The Company uses an allowance matrix based



on its past experience of credit losses, adjusted for borrower-specific forecasts and general economic conditions. For all financial instruments, the Company recognizes gain or impairment loss in the statement of profit or loss, adjusted accordingly to their carrying amount through the loss allowance account.

To determine credit impairment, the Company considers the following:

- information, developed independently or obtained from external sources, indicating that payment of obligations by the debtor is unlikely, including obligations to the Company in full;
- the debtor defaulted on its obligations to creditors, including the Company; or
- the likelihood that the debtor will go bankrupt or there is another financial reorganization.

Financial assets – write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event.

Financial assets – derecognition

The Company derecognises financial assets when the assets are redeemed or the rights to cash flows from the assets otherwise expire or the Company has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement whilst also transferring substantially all the risks and rewards of ownership of the assets or neither transferring nor retaining substantially all the risks and rewards of ownership but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale.

Financial liabilities

Measurement categories

Financial liabilities within the scope of IFRS 9 are classified as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and financial guarantee contracts and loan commitments.

All financial liabilities are recognised initially at fair value, net of (in the case of loans, borrowings and payables) directly attributable transaction costs.

The Company's financial liabilities include payables and dividends payable.

Trade payables after initial recognition are carried at amortized cost using the effective interest method. Income and expenses are recognised in the profit or loss of the period when payables are derecognised or impaired, as well as through the amortization process.

Financial liabilities – derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the derecognised financial liability and the consideration paid or payable is recognized in profit or loss.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash in demand bank accounts and other short-term highly liquid investments with original contractual maturities of three months or less, which are subject to insignificant risk of changes in value.

Property, plant and equipment

Property, plant and equipment are carried at original cost which includes all the necessary costs actually incurred to acquire property, plant and equipment, including import duties, non-refundable taxes, and any direct costs associated with bringing the asset to working condition and delivering it to places of intended use.



LIMITED LIABILITY PARTNERSHIP MARSH (INSURANCE BROKERS)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (IN THOUSANDS OF TENGE)

After initial recognition as an asset property, plant and equipment is carried at original cost less accumulated depreciation and accumulated impairment losses. Depreciation and amortization are calculated on a straight-line basis using the following established annual rates:

Name	Annual rate
Computer equipment	25-33%
Furniture and other property, plant and equipment	7-33%
Vehicles	20%

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profits and losses for the reporting period when the asset was disposed.

Residual value, useful lives of assets and depreciation methods are reviewed and adjusted by the Company if appropriate at each financial year end.

Intangible assets

Intangible assets are measured on initial recognition at original cost. Following initial recognition, intangible assets are carried at original cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Depreciation is accrued on a straight-line basis over the estimated useful lives of intangible assets. The annual depreciation rate is 10%.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

Any gain or loss arising upon derecognition of intangible assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profits or losses of the period when intangible assets are derecognised in the financial statements.

Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease, in other words, the Company determines whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. For short-term leases and leases of low-value assets, the Company recognizes lease payments as operating expenses on a straight-line basis over the lease term, unless another method of allocating costs more closely matches the distribution of economic benefits from the leased assets over time. The Company recognises lease liabilities with respect to lease payments and right-of-use assets, which represent the right to use underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at original cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The original cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

If at the end of the lease term the ownership of the leased asset is transferred to the Company or if the cost of the asset reflects the exercise of a purchase option, the asset is amortised over the expected useful life.

Right-of-use assets are also subject to impairment.



Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced if the probability of future taxable profit sufficient for the full or partial use of these assets is no longer high.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



Contingent liabilities and assets

Contingent liabilities are not recognised in the statement of financial position but are disclosed in the financial statements unless the possibility of any outflow in settlement is remote.

A contingent asset is not recognised in the statement of financial position but disclosed in the financial statements when an inflow of economic benefits is probable.

Charter capital

Contributions to charter capital are recognised at original cost.

Distributions are recognised in equity as a reduction in the charter capital in the period in which they are declared.

Distributions that are declared after the reporting date are treated as events after the reporting period.

Pension obligations, social contributions, contributions for compulsory social health insurance and social tax

The Company pays social tax to the budget of the Republic of Kazakhstan in accordance with the tax legislation of the Republic of Kazakhstan. The Company pays statutory compulsory social deductions to the State Social Insurance Fund and contributions to the Compulsory Social Health Insurance Fund.

The total amount of social tax and social deductions and contributions constitutes 12.5 % of taxable employee's income. The Company also deducts 10% of salary of its employees as mandatory pension contributions to the Unified Accumulative Pension Fund (UAPF). In accordance with the legislation pension contributions are obligations of employees, and the Company has neither current nor future payment obligations upon retirement of its employees.

Foreign currency transactions

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. In preparing the financial statements, monetary assets and liabilities denominated in currencies other than the Company's functional currency (foreign currencies) are translated at the appropriate spot rates of exchange prevailing at the reporting date. Transactions in currencies other than the functional currency are accounted for at the exchange rates prevailing at the date of the transaction. Profits and losses arising from these translations are included in net gain/(loss) on foreign exchange operations.

The exchange rates at reporting date used by the Company in the preparation of the financial statements are as follows:

- *as of December 31, 2023:*
 - denominated in US dollars – at the rate of 454.56 tenge per 1 dollar;
 - expressed in euros – at the rate of 502.24 tenge per 1 euro;
 - expressed in pounds sterling – at the rate of 577.47 tenge per 1 pound;
 - expressed in Polish zloty – at the rate of 115.53 tenge per 1 zloty.
- *as of December 31, 2022:*
 - denominated in US dollars – at the exchange rate of 462.65 tenge per 1 dollar;
 - denominated in euros – at the rate of 492.86 tenge per 1 euro;
 - expressed in pounds sterling – at the rate of 556.57 tenge per 1 pound.

Recognition of revenue and expenses

Commission income from brokerage services

Brokerage commission income represents interest for intermediary services in the form of commission. The commission rate varies and depends on a number of factors, including the type of insurance or reinsurance coverage provided and the insurer or reinsurer selected. For most brokerage arrangements, the services provided that result in the placement of an insurance policy are considered a single performance obligation.

The consideration associated with "tied arrangement" is allocated to the separate performance obligations based on their relative fair values. Revenue for policy placement is generally recognised on the policy effective date, at which point control over the services provided by the Company has transferred to the customer and the customer accepts the services.



Administrative and general expenses

Expenses are accounted for when respective inventories or services are actually received irrespective when cash or cash equivalents were paid and are included in the financial statements in that period to which they relate.

New standards adopted in 2023

The adoption of the amendments to standards and interpretations effective from 1 January 2023 had no impact on the financial position or financial statements of the Company, except for Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023). The Company has adopted this amendment and amended its financial statements accordingly.

The Company has not early adopted standards, interpretations, and amendments that have been issued but not effective as at 1 January 2023. The Company intends to adopt these standards, if applicable, when they become effective. The impact of implementing these standards, amendments, and interpretations on the Company's financial position and financial statements is currently being assessed.

4. GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
Payroll and social contributions and deductions expenses	432,887	281,308
Distribution of brokerage commissions within Marsh group	83,623	111,985
Management fees for services from Parent Company	31,983	52,092
Professional services	20,606	14,433
Transportation services	18,500	16,595
Business trip expenses	17,943	14,264
Right-of-use asset depreciation	15,546	15,547
Depreciation and amortization of property, plant and equipment and intangible assets	11,371	9,810
Utilities	9,633	9,566
Property and liability insurance	7,780	4,639
Office maintenance expenses	6,817	5,126
Communication services	2,103	1,858
Taxes, other than income tax	1,790	1,083
Bank commission	450	369
Other	5,226	3,817
Total	666,258	542,492

5. DEFERRED TAX ASSETS

The Company calculates the tax for the current period on the basis of tax accounting records kept in accordance with the tax legislation of the Republic of Kazakhstan, which may differ from IFRSs. Due to the fact that certain types of expenses are not deductible for tax purposes, as well as due to the presence of non-taxable income, the Company has certain permanent tax differences.

Income tax expense is summarized in the following table:

	2023	2022
Current income tax expense	71,346	38,481
Deferred income tax expense (saving)	(4,735)	22,344
Total corporate income tax expense	66,611	60,825

Reconciliation of income tax expense with profit (loss) before income tax according to accounting records is presented as follows:

	2023	2022
Profit before income tax	295,064	327,168
Statutory income tax rate	20%	20%



LIMITED LIABILITY PARTNERSHIP MARSH (INSURANCE BROKERS)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (IN THOUSANDS OF TENGE)

Contingent income tax expense	59,013	65,434
Tax effect of permanent differences	7,598	(4,609)
Total corporate income tax expense	66,611	60,825

Temporary differences arise as a result of the following items:

	As at 1 January 2023	Recognised in gains and losses	As at 31 December 2023
Deferred income tax assets			
Accrued expenses	9,244	5,270	14,514
Right-of-use asset and lease liabilities	1,807	(837)	970
Allowance for expected credit losses	-	269	269
Total tax assets	11,051	4,702	15,753
Deferred income tax liabilities			
Property, plant and equipment and intangible assets	(1,735)	(69)	(1,804)
Prepaid expenses	(1,138)	102	(1,036)
Total tax liabilities	(2,873)	33	(2,840)
Total recognised tax assets	8,178	4,735	12,913

	As at 1 January 2022	Recognised in gains and losses	As at 31 December 2022
Deferred income tax assets			
Accrued expenses	6,379	2,865	9,244
Right-of-use asset and lease liabilities	2,178	(371)	1,807
Tax losses carry forward	24,334	(24,334)	-
Total tax assets	32,891	(21,840)	11,051
Deferred income tax liabilities			
Property, plant and equipment and intangible assets	(1,635)	(100)	(1,735)
Prepaid expenses	(734)	(404)	(1,138)
Total tax liabilities	(2,369)	(504)	(2,873)
Total recognised tax assets	30,522	(22,344)	8,178

6. NET GAIN ON FOREIGN CURRENCY TRANSACTIONS

	As at 31 December 2023	As at 31 December 2022
Net translation differences	(14,707)	20,291
Foreign currency purchase and sale	(1,058)	(619)
Total	(15,765)	19,672

7. CASH AND CASH EQUIVALENTS

	As at 31 December 2023	As at 31 December 2022
Cash on current bank accounts in foreign currency	243,419	311,473
Cash on current bank accounts in Tenge	8,160	8,579
Cash on deposits accounts in Tenge (deposit period - 1 month, the rate – 8.75% per annum)	128,000	-
Total	379,579	320,052



8. RECEIVABLES

	As at 31 December 2023	As at 31 December 2022
Commission income receivable from related parties (Note 15)	394,008	259,271
Commission income receivable from third parties	175,759	193,717
Less allowance for expected credit losses	(1,347)	(1,268)
Total	568,420	451,720

The movements in the allowance for expected credit losses are as follows:

As at 01 January 2022	676
Accrual of allowance	592
As at 31 December 2022	1,268
Use of allowance	(107)
Accrual of allowance	186
As at 31 December 2023	1,347

9. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Office and computer equipment	Vehicles	Leasehold improvement	Total	Software	Total
At original cost						
As at 01 January 2022	46,636	15,500	46,751	108,887	2,643	111,530
Acquisition	3,914	-	-	3,914	-	3,914
Disposal	(6,749)	-	-	(6,749)	-	(6,749)
As at 31 December 2022	43,801	15,500	46,751	106,052	2,643	108,695
Acquisition	11,730	-	-	11,730	-	11,730
As at 31 December 2023	55,531	15,500	46,751	117,782	2,643	120,425
Accumulated depreciation and amortization						
As at 01 January 2022	32,952	12,404	6,606	51,962	1,114	53,076
Depreciation and amortization for the period	4,883	-	4,663	9,546	264	9,810
Disposal	(6,749)	-	-	(6,749)	-	(6,749)
As at 31 December 2022	31,086	12,404	11,269	54,759	1,378	56,137
Depreciation and amortization for the period	6,443	-	4,663	11,106	265	11,371
As at 31 December 2023	37,529	12,404	15,932	65,865	1,643	67,508
Carrying amount						
As at 31 December 2022	12,715	3,096	35,482	51,293	1,265	52,558
As at 31 December 2023	18,002	3,096	30,819	51,917	1,000	52,917

As at 31 December 2023 and 2022, the cost of fully amortized property, plant and equipment amounted to 20,729 thousand Tenge and 15,888 thousand Tenge, respectively.

10. RIGHT-OF-USE ASSET AND LEASE LIABILITY

As of the reporting date, the Company has the contract for the office premise lease. Lease liabilities at initial recognition are measured at the present value of the lease payments using a discount rate of 13.4% and have a maturity of 5 years.



Changes in the right-of-use asset and lease liability:

	Right-of-use asset	Lease liability
As at 01 January 2022	46,640	57,531
Amortisation expenses (Note 4)	(15,547)	-
Finance costs	-	6,281
Principal repayment in cash	-	(17,401)
Interest repayment in cash	-	(6,281)
As at 31 December 2022	31,093	40,130
Including:		
Short-term portion		21,488
Long-term portion		18,642
As at 01 January 2023	31,093	40,130
Amortisation expenses (Note 4)	(15,546)	-
Finance costs	-	3,949
Principal repayment in cash	-	(19,733)
Interest repayment in cash	-	(3,949)
As at 31 December 2023	15,547	20,397
Including:		
Short-term portion		20,397

11. PAYABLES

	As at 31 December 2023	As at 31 December 2022
Payables to related parties (Note 15)	64,669	193,109
Payables to third parties	667	553
Total	65,336	193,662

12. OTHER LIABILITIES

	As at 31 December 2023	As at 31 December 2022
Provision for bonuses	45,133	10,603
Withholding tax	39,951	11,132
Provision for vacations	19,163	9,089
Provision for audit and other professional services	8,272	8,602
Advances received	1,189	731
Total	113,708	40,157

13. EQUITY

Charter capital

As at 31 December 2023 and 31 December 2022, the declared and paid-in charter capital of the Company is amounted to 320,100 thousand Tenge.

Dividends

In 2023, the Company declared dividends in the amount of 266,342 thousand. In 2022, the Company declared and paid dividends in the amount of 43,710 thousand Tenge

14. CONTINGENT FINANCIAL LIABILITIES

Operating environment

The economic activity of the Company is carried out on the territory of the Republic of Kazakhstan. Laws and regulations affecting the business environment in the Republic of Kazakhstan are subject to rapid changes and the



Company's assets and operations could be at risk due to negative changes in the political and business environment. There continues to be uncertainty regarding further economic growth, access to capital and cost of capital, which could negatively affect the Company's future financial position, results of operations and business prospects. Management believes it is taking appropriate measures to support the sustainability of the Company's business in the current circumstances.

Foreign policy situation

In 2022, against the background of the aggravation of the foreign policy situation related to the armed conflict in the east of Ukraine and the sanctions imposed by a number of countries against the Russian Federation, there is a volatility in Tenge exchange rate against world currencies, which may indirectly impact the Company's activities in the future.

Management of the Company monitors the development of the current situation and takes measures that it considers necessary to maintain the sustainability and development of the Company's business in the foreseeable future. Management of the Company does not anticipate that future economic events will significantly impact the future operations and financial position of the Company.

Taxation

The taxation system in Kazakhstan is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the five subsequent calendar years; however, under certain circumstances a tax year may remain open longer. The legislative and regulatory acts of the Republic of Kazakhstan are not always clearly written and their interpretation is subject to varying interpretations by local tax inspectors of the Ministry of Finance of the Republic of Kazakhstan. There are often cases of differences of opinion between local, regional and republican tax authorities.

Legal issues

In the ordinary course of business, the Company may encounter various types of legal claims. Management of the Company believes that it is currently not possible to determine the ultimate outcome of the Company's contingent liabilities arising from litigation (if any), and therefore the financial statements do not include any adjustments that could result from this uncertainty. Such adjustments, if any, will be shown in the Company's financial statements in the period when the necessity becomes apparent and their numeric values can be estimate.

15. RELATED PARTY TRANSACTIONS

In 2023 and 2022 related parties include key management personnel of the Company, the Parent Company and companies under common control.

Key management personnel compensation amounted to:

	2023	2022
Salary and provision for vacations	79,699	69,906

The following amounts were recognised in the statement of profit or loss and other comprehensive income arising from related party transactions:

	Commission fee and income	General and administrative expenses, net of salary expenses
2023		
Companies under common control	216,253	83,623
Parent company	-	31,983
Total	216,253	115,606
2022		



Companies under common control	299,760	111,985
Parent company	-	52,092
Total	299,760	164,077

The balances of the Company's transactions with related parties are disclosed below:

	Receivables	Payables
As at 31 December 2023		
Companies under common control		
Gross carrying amount	394,008	64,669
Expected credit losses	(1,002)	-
Carrying amount	393,006	64,669
As at 31 December 2022		
Companies under common control		
Gross carrying amount	259,271	193,109
Expected credit losses	(953)	-
Carrying amount	258,318	193,109

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management believes that the fair value of financial assets and financial liabilities of the Company approximates their carrying value due to the short-term mature of these assets and liabilities.

17. CAPITAL MANAGEMENT

The Company's capital structure is comprised of the partner's equity, which includes the paid-in charter capital and retained earnings as disclosed in the statement of changes in equity.

Management reviews the capital structure on a semi-annual basis. As a part of this review, Management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of Management, the Company balances its overall capital structure through the payment of distributions, increase of charter capital, attraction of additional borrowings or repayment of existing loans and borrowings.

The minimum amount of the charter capital and equity is regulated by Resolution of the Board of the National Bank of Kazakhstan No. 270 dated 29 October 2018 "On Establishment of requirements for the minimum size of the charter and equity capital of an insurance broker, the procedure for forming the assets of a branch of an insurance broker-a non-resident of the Republic of Kazakhstan, accepted as a reserve, and their minimum size, and approval of the Rules for insurance broker's.

The Company manages its capital in accordance with this Resolution to ensure that it will continue as a going concern for the foreseeable future.

18. RISK MANAGEMENT POLICIES

The Company's risk management policy is aimed at identifying, analyzing and managing the risks to which the Company is exposed, establishing appropriate controls, as well as continuously assessing the level of risk. Risk management policies and procedures are reviewed on a regular basis to reflect changing market conditions.

Management of the Company is responsible for monitoring and implementing risk mitigation measures. The Company's principal financial instruments include cash and cash equivalents, receivables, payables, lease liabilities and dividends payable.

Operational risk

Operational risk is the risk resulting from system failure, human error, fraud or external events. When controls fail, operational risks can damage reputation, have legal consequences, or result in financial loss. The Company cannot assume that all operational risks have been eliminated, but by means of the system of controls and by monitoring and responding appropriately to potential risks. The Company can manage such risks. The control system provides



for an effective segregation of duties, access rights, approval and reconciliation procedures, staff training, and evaluation procedures.

Political risk

The conflict between Russia and Ukraine continues to be assessed at a regional and group level by an appointed emergency management working group acting in accordance with the Group's local government and corporate governance.

All categories of corporate risks are currently being assessed and managed for management decision-making purposes. Currently all categories of corporate risks are assessed and managed to make management decisions. In order to provide prompt recommendations to clients, the Company has the necessary controls in place to monitor and respond to all identified risk areas in current and future conflicts, such as changes in sanctions conditions, increased risk of cyber-attacks, and changes in the market environment.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to meet its obligations and cause financial losses to the other party. The Company's maximum credit risk exposure corresponds to the carrying amount of cash held in bank accounts and trade receivables.

It is the Company's policy to continuously monitor receivables, both through maturities and by monitoring the debtor's rating.

As at 31 December 2023 and 31 December 2022 the credit rating of related party- debtors (Note 15) is A- Stable (Fitch Ratings).

The tables below present the credit qualities of trade receivables.

	As at 31 December 2023			
	Gross carrying amount	Expected credit losses	Carrying amount	% expected credit losses
Receivables, including:	569,767	(1,347)	568,420	
Short-term	263,705	-	263,705	-
Past due:				
1-30 days	155,555	(294)	155,261	0.19%
31-60 days	82,733	(238)	82,495	0.29%
61-90 days	4,399	(20)	4,379	0.45%
90-120 days	43,302	(239)	43,063	0.55%
from 120 to 360 days	20,073	(556)	19,517	2.77%
	As at 31 December 2022			
	Gross carrying amount	Expected credit losses	Carrying amount	% expected credit losses
Receivables, including:	452,988	(1,268)	451,720	
Short-term	32,550	-	32,550	-
Past due:				
1-30 days	200,094	(311)	199,783	0.16%
31-60 days	152,447	(314)	152,133	0.21%
61-90 days	14,231	(78)	14,153	0.54%
90-120 days	28,459	(238)	28,221	0.84%
from 120 to 360 days	25,207	(327)	24,880	1.30%

Credit risk in relation to cash is associated with the possibility of default by the bank in which the funds are placed. Management of the Company manages this risk by placing funds with reputable second-tier banks of the Republic of Kazakhstan and by monitoring the credit rating of these banks.

Below are the ratings of international agencies on the banks of the Republic of Kazakhstan servicing the Company:



	As at 31 December 2023	As at 31 December 2022	Ratings	
			As at 31 December 2022	As at 31 December 2021
Citibank Kazakhstan JSC	379,579	320,052	A+ Stable Fitch Ratings	A+ Stable Fitch Ratings
Total	379,579	320,052		

Geographical concentration

The Company monitors the risk associated with changes in legislation and assesses its impact on the Company's operations. This approach allows the Company to minimize potential losses from changes in the investment climate in the Republic of Kazakhstan.

As at 31 December 2023 and 31 December 2022 the Company's receivables concentration outside of Kazakhstan was 70% and 89.7%, respectively.

As at 31 December 2023 and 31 December 2022, the Company's payables concentration outside of Kazakhstan was 99.7% and 96.5%, respectively. All of the Company's other financial assets and liabilities are located in Kazakhstan.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to repay liabilities associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise.

The undiscounted contractual maturities of liabilities are presented in the table below:

	Total	<1 month	From 1 to 6 months	From 6 to 12 months	From 12 to 24 months
As at 31 December 2023					
Lease receivables	21,709	1,974	9,868	9,867	-
Payables	65,336	65,336	-	-	-
Dividends payable	226,391	226,391	-	-	-
Total liabilities	313,436	293,701	9,868	9,867	-
As at 31 December 2022					
Lease receivables	45,391	1,974	9,868	11,840	21,709
Payables	193,662	193,662	-	-	-
Total liabilities	239,053	195,636	9,868	11,840	21,709

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risks: currency risk, interest rate risk and other price risks. The Company manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions.

Currency risk

Currency risk is the risk that fair value or future cash flows for financial instrument will fluctuate due to the changes in foreign exchange rates.

The Company controls currency risk by management of its open currency position through regular monitoring of fluctuations in currency rates and other macroeconomic indicators.

The Company's financial assets and liabilities are denominated in the following currencies:

	As at 31 December 2023					
	Total	Tenge	USD	EUR	GBP	PLN
Cash and cash equivalents	379,579	136,160	242,195	-	1,224	-
Receivables	568,420	170,876	374,643	18,365	4,536	-
Total financial assets	947,999	307,036	616,838	18,365	5,760	-



LIMITED LIABILITY PARTNERSHIP MARSH (INSURANCE BROKERS)
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (IN THOUSANDS OF TENGE)

Payables	(65,336)	(6,519)	(51,103)	-	(2,886)	(4,828)
Lease receivables	(20,397)	(20,397)	-	-	-	-
Dividends payable	(226,391)	(226,391)	-	-	-	-
Total financial liabilities	(312,124)	(253,307)	(51,103)	-	(2,886)	(4,828)
Net balance sheet item	635,875	53,729	565,735	18,365	2,874	(4,828)

	As at 31 December 2022				
	Total	Tenge	USD	EUR	GBP
Cash and cash equivalents	320,052	8,579	308,623	1,636	1,214
Receivables	451,720	46,687	385,769	13,844	5,420
Total financial assets	771,772	55,266	694,392	15,480	6,634
Payables	(193,662)	(6,732)	(168,885)	-	(18,045)
Lease receivables	(40,130)	(40,130)	-	-	-
Total financial liabilities	(233,792)	(46,862)	(168,885)	-	(18,045)
Net balance sheet item	537,980	8,404	525,507	15,480	(11,411)

The following table details the Company's sensitivity to increase and decrease in foreign exchange rates against Tenge. The sensitivity rate disclosed is used by the Company when reporting currency risk internally to key management personnel of the Company and represents management's assessment of the possible change in foreign currency exchange rates.

	As at 31 December 2023		As at 31 December 2022	
	Exchange rate changes	Effect on profit before income tax	Exchange rate changes	Effect on profit before income tax
USD	20%	113,147	20%	105,101
	-20%	(113,147)	-20%	(105,101)
EUR	20%	3,673	20%	3,096
	-20%	(3,673)	-20%	(3,096)
GBP	20%	575	20%	(2,282)
	-20%	(575)	-20%	2,282
PLN	20%	(966)	-	-
	-20%	966	-	-

Price risk

The Company is not exposed to price risk on investments in equity securities as it does not trade in these instruments.

Interest rate risk

The Company is not exposed to interest rate risk as it does not raise funds or have interest-bearing borrowings.

19. EVENTS AFTER THE REPORTING PERIOD

On 30 January 2024 the Company paid previously declared dividends for 2023 in the amount of 226,391 thousand Tenge (Note 13).

