

# ADDRESS BY THE CHAIRMAN OF THE MANAGEMENT BOARD

**Dear  
Readers!**

**Let me welcome you and present the  
results of the activities of KazAgroFinance  
JSC in 2019!**

2019 was the anniversary year for the Company, we are 20 years old! In retrospect, we can proudly say that KazAgroFinance is an efficient and sustainable financial institution, which activities are aimed at supporting and developing the agricultural sector. We have learned a lot over these years, and we have grown both as a team and from a professional point of view. The strengths of KazAgroFinance JSC are the company's specialization and deep knowledge of the agro-industrial sector.

In our work, we focus primarily on the needs of our customers. By the end of 2019, the Company's portfolio includes more than 7.600 clients, and 99% of them are representatives of small and medium-sized businesses. We are therefore constantly working to improve the quality of our services and to make them more accessible and profitable.

Leasing remains a simple and efficient way to update fixed assets, contributing to increased output and productivity.

# 9.2

**billion KZT**

net profit in 2019

In the past few years, we have seen a rapid increase in the popularity of leasing financing in agriculture. In 2019, KazAgroFinance leased 5,893 units of agricultural machinery, which is more than 70% higher than in 2018. The amount of leasing financing reached a new historical peak – 98.5 billion KZT. Since 2000, the Company has leased almost 49000 units of machinery and equipment for a total amount of 602 billion KZT.

Due to maintaining the long-term rating of Fitch Ratings Inc. at the level BB+ as the “stable” and as a result of effective market attraction, sufficient liquidity level is ensured, as well as proper fulfillment of obligations to creditors and loan portfolio growth by 13.4 %. At the same time, as a result of successful asset management, at the end of 2019, record indicators were achieved for net profit – 9.2 billion KZT, which is 36.9% higher than the result of 2018 and for return on assets, which was 2.95 %.

The built-up effective risk management system allows timely identification, reliable assessment and minimization of credit, currency, and price risks. Timely measures taken by the Company ensure growth of reliable clients, improving the quality of

the portfolio and reducing the share of distressed non-performing assets.

High results of the Company’s activities were achieved thanks to the trust of customers, as well as the professional and well-coordinated work of the entire team of KazAgroFinance JSC.

Taking into account that there is still a high demand for updating the machine and tractor fleet in the country, the Company will continue to focus on increasing the amount of leasing of agricultural machinery and equipment, improving its services and increasing its performance. Comprehensive work on the implementation of the goals and objectives will ensure further growth and successful development of the Company and effective implementation of the AIC state policy.

## KANYSH TEMIRTAYEVICH IZBASTIN



***Chairman of the Management  
Board of KazAgroFinance JSC***