

**“Microfinance organization “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУПП)
Limited liability partnership**

(registered as a limited liability partnership under the laws of the Republic of Kazakhstan with business identification number 100240019642)

FINAL TERMS

**OF THE KZT 10,000,000,000 2-YEAR COUPON BONDS
DUE 10 DECEMBER 2023 (ISIN: KZX000000963)
UNDER KZT 20,000,000,000 COUPON BOND PROGRAMME**

The Bonds will be constituted by and have the benefit of a KZT 20,000,000,000 coupon bond programme (the “Programme”) established by “Microfinance organization “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУПП) Limited liability partnership (the “Issuer”). The Bonds of this Tranche have been issued under the Programme and in accordance with the Acting Law of the Astana International Financial Center (the “AIFC”) (the “Bonds”). Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Programme dated 9 December 2021 (the “Bond Programme Prospectus”). This document constitutes the Final Terms of the Bonds (the “Final Terms”) described herein. This document is prepared for the purposes of the AIFC rules and must be read in conjunction with the Prospectus. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Bonds Final Terms and the Bond Programme Prospectus. The Final Terms and the Bond Programme Prospectus have been published on the website of the Astana International Exchange (hereinafter the “AIX”) at <https://www.aix.kz> and on the website of the Issuer at <https://tascredit.kz/>.

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Terms defined in the Prospectus have the same meanings in these Final Terms unless they are expressly defined herein.

Issuer	«Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership
Guarantor	MFO TAS MICROFINANCE LLP
Tranche number	1
Type and name	Guaranteed coupon Bonds
ISIN	KZX000000963

Specified currency	Kazakhstan tenge
Denomination	KZT500,000
Aggregate nominal amount of Bonds	KZT10,000,000,000
Guarantee	Written guarantee of MFO TAS Microfinance LLP (the “Guarantee”). The guarantee agreement is given in Schedule 3 of the Bond Programme Prospectus and procedure for enforcement of the Guarantee is described in section 4.3. and Schedule 3 of the Bond Programme Prospectus.
Issue price	100% of the face value at the Issue Date
Issue Date	10 December 2021
Interest Commencement Date	10 December 2021
Maturity Date	10 December 2023
The date of allotment	10 December 2021
Covenants	As specified in section 3.5 of the Bond Programme Prospectus
Estimated expenses	Fees associated with admission of the Bonds to the Official List of the AIX and to trading on the AIX pursuant to the AIX Fee Schedule and fees associated with the bookbuilding and settlement process on the AIX in the amount of USD6,000 and expenses related to the issue which are not exceed 1% of the issued amount.
Estimated net amount of proceeds of the Tranche	The net proceeds from the issuance are expected to amount to approximately equal to the issued amount of KZT 10,000,000,000 after deduction of fees and expenses related to the issue.
Use of proceeds	The issuance is being made, and the net proceeds of the issue of the Bonds will be used by the Issuer for the financing of the issuer’s core lending activity and the refinancing of existing indebtedness.
Interest Basis:	19% Fixed Rate per annum payable quarterly as per the below Schedule of Payment of Interests on Bonds.
Interest Payment Dates	The coupon payment will be made within 15 (fifteen) Calendar Days following 10 March, 10 June, 10 September, 10 December of each year of the Bonds’ circulation. If the last day of the Coupon payment date is holiday/weekend, then the coupon payment date should be moved to the next business day.
Redemption/Payment Basis	Redemption at par
Redemption/Payment Period	The Bonds will be redeemed within 15 (fifteen) Calendar Days following 10 December 2023.

“Microfinance organization “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУПП) Limited liability partnership

	<p>Payments on the repayment of the principal debt on the Bonds are made simultaneously with the coupon payment on the last coupon period.</p> <p>Repayment of the principal debt will be carried out by transferring money to the bank accounts of the Bondholders, who have the right to receive the specified payment and have been registered as the Bondholders by AIX Registrar as at 23:59:59 (according to the time of Nur-Sultan) on the Record Date.</p>
Potential investors	The Bonds will be publicly offered to a wide range of investors in Kazakhstan in compliance with the applicable laws of the AIFC and the AIX rules.
Advisors to the Issuer	The Issuer appointed JSC “Halyk Finance” as a financial consultant and underwriter in connection with this offering.
Clearing systems	AIX CSD

Schedule of Payment of Interests on Bonds

No	Coupon period commencement date	Coupon period expiry date	Register closing date (Record Date)	Interest payment commencement date	Interest payment expiry date
1	10 December 2021	10 March 2022	9 March 2022	11 March 2022	25 March 2022
2	10 March 2022	10 June 2022	9 June 2022	11 June 2022	25 June 2022
3	10 June 2022	10 September 2022	9 September 2022	11 September 2022	25 September 2022
4	10 September 2022	10 December 2022	9 December 2022	11 December 2022	25 December 2022
5	10 December 2022	10 March 2023	9 March 2023	11 March 2023	25 March 2023
6	10 March 2023	10 June 2023	9 June 2023	11 June 2023	25 June 2023
7	10 June 2023	10 September 2023	9 September 2023	11 September 2023	25 September 2023
8	10 September 2023	10 December 2023	9 December 2023	11 December 2023	25 December 2023

Issuer: “Microfinance organization “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУПП) Limited liability partnership

Name: Dulat Tastekeyev
Position: General Director



SUPPLEMENT TO THE FINAL TERMS DATED DECEMBER 10, 2021

“Microfinance organization “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУПП) Limited liability partnership

(registered as a limited liability partnership under the laws of the Republic of Kazakhstan with business identification number 100240019642)

FINAL TERMS

**OF THE KZT 10,000,000,000 2-YEAR COUPON BONDS
DUE 10 DECEMBER 2023 (ISIN: KZX000000963)
UNDER KZT 20,000,000,000 COUPON BOND PROGRAMME**

This document constitutes the Supplement to the Final Terms (“**Supplement**”) prepared in respect of the issue of bonds (ISIN: KZX000000963) in the aggregate amount of KZT 10 000 000 000 and due 10 December 2023 (the “**Final Terms**”).

Terms used in this document, unless otherwise stated, bear the same meanings as in the Final Terms.

This Supplement sets out the specific details of the Bonds and supplements the Final Terms. Therefore, full information on the Issuer and the Bonds is only available on the basis of the combination of this Supplement and the Final Terms. This Final Terms has been published on the website of Astana International Exchange (AIX) at <https://www.aix.kz> before the start of offering and will be published on the Issuer’s website at <https://tascredit.kz/> and AIX website on the day of admission of Bonds to trading.

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Terms defined in the Prospectus have the same meanings in these Final Terms unless they are expressly defined herein.

The following words in the table in the Final Terms shall be deleted:

Guarantor	MFO TAS MICROFINANCE LLP
Guarantee	Written guarantee of MFO TAS Microfinance LLP (the “Guarantee”). The guarantee agreement is given in Schedule 3 of the Bond Programme Prospectus and procedure for enforcement of the Guarantee is described in section 4.3. and Schedule 3 of the Bond Programme Prospectus.

"Microfinance organization "TAS FINANCE GROUP" Limited liability partnership

The following words in the table in the Final Terms shall be amended and read as follows:

Type and name	Unsecured coupon Bonds
---------------	------------------------

The Issuer accepts responsibility for the information contained in this Supplement.

Name: Dulat Tastekeyev
Position: General Director



«Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП)

Limited liability partnership

(registered as a limited liability partnership under the laws of the Republic of Kazakhstan with business identification number 100240019642)

KZT 20,000,000,000 5-year Bond Programme

«Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership (the “**Issuer**” or the “**Company**”) has established a KZT 20,000,000,000 (twenty billion) bond programme (the “**Programme**”), pursuant to which the Issuer may from time-to-time issue bonds denominated in KZT (the “**Securities**” or the “**Bonds**”, and each a “**Bond**”) in accordance with the Acting Law of the Astana International Financial Center (the “**AIFC**”). Each series of Bonds issued under the Programme is hereinafter referred to as “**Tranche**”. The Programme may be comprised of one or more Tranches of Bonds issued on the same or different dates. The denomination of any Bond issued under the Programme shall be KZT 500,000. The Programme is guaranteed by the affiliate company “Microfinance organization “TAS MICROFINANCE” Limited liability partnership (“**Guarantor**”).

This document constitutes the prospectus of the Bonds (the “**Prospectus**”) described herein and has been prepared by the Issuer pursuant to Rule 1.3 of the AIFC Market Rules (AIFC Rules No. FR0003 of 2017) (the “**MAR Rules**”). Full information on the Issuer and the offer of the Bonds is only available on the basis of this Prospectus and the Final Terms (the “**Final Terms**”). This Prospectus has been published on the website of the Astana International Exchange Ltd. (the “**AIX**”) at <https://www.aix.kz> and on Issuer’ website at www.tascredit.kz. The Final Terms of each Tranche will be published on AIX website and Issuer’ website accordingly. All information of the Issuer operational activities and other details can be found www.tascredit.kz, also information of the Guarantor is published on corporate website: <https://tasmicrofinance.kz/>

Application has been made for the Bonds issued under the Programme to be admitted to the Official List of the AIX and to be admitted to trading on the AIX (the “**Admission**”). Notice of the aggregate nominal amount and completion of certain other terms and conditions which are applicable to each Tranche of Bonds will be set forth in the Final Terms. In order for Bonds to be admitted to the Official List of the AIX and to be admitted to trading by the AIX, this Prospectus and the Final Terms under each such Tranche will be delivered to the AIX for approval before the date of the issue of the Bonds of such Tranche.

AIX does not Guarantee that the Bonds will be admitted to the Official List of the AIX. The AIX reserves the right to grant admission of the Bonds to the Official List of the AIX only where it is satisfied that such admission is in accordance with the AIX Markets Listing Rules.

AIX and its related companies and their respective directors, officers and employees do not accept responsibility for the content of this Prospectus including the accuracy or completeness of any information or statement included in it. Liability for the Prospectus lies with the Issuer and other persons such as experts whose opinions are included in the Prospectus with their consent. Nor has AIX, its directors, officers or employees assessed the suitability of the Bonds for any particular investor or type of investor. If you do not understand the content of this Prospectus or are unsure whether the Bonds are suitable for your individual investment objectives and circumstances, you should consult an authorized financial advisor.

No representation or warranty, express or implied, is made by the Lead Manager as to the accuracy or completeness of the information set forth in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as a promise or representation, whether as to the past or the future. The Lead Manager does not assume any responsibility for the accuracy or completeness of the information contained in this Prospectus.

No action has been or will be taken by the Issuer in any jurisdiction outside AIFC that would permit a public offering of the Bonds in any country or jurisdiction where action for that purpose is required. Accordingly, the Bonds may not be offered or sold, directly or indirectly, and neither this Prospectus (in preliminary, proof or final form) or any amendment or supplement thereto or any other offering or publicity material relating to the Bonds, may be distributed in or from, or published in any country or jurisdiction, except under circumstances that will result to the best of the Issuer’s knowledge and belief in compliance with any applicable securities laws or regulations.

Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds in any jurisdiction or under any circumstances in which such offer, solicitation or sale is not authorized or would be unlawful. Recipients of this Prospectus who intend to subscribe for or purchase the Bonds are reminded that any subscription or purchase may only be made on the basis of the information contained in the final Prospectus.

All subsequent references in this Prospectus to “**Bonds**” are to the Bonds which are subject of the relevant Final Terms. All capitalised terms that are not defined in this Prospectus will have the meaning given to them in the relevant Final Terms.

These Bonds constitute debt instruments. An investment in the Bonds involves risks. By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on a quarterly basis and to reimburse the principal on the Maturity Date. In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. The Bonds are intended for investors who are capable of evaluating the interest rates in light of their knowledge and financial experience. An investment decision must solely be based on the information contained in the Prospectus. Before making any investment decision, the investors must read the Prospectus in its entirety (and, in particular, “Risk factors**” clauses of Registration Document and the Securities Note sections of the Prospectus). Each potential investor must investigate carefully whether it is appropriate for this type of investor to invest in the Bonds, taking into account his or her knowledge and experience and must, if needed, obtain professional advice.**

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PROSPECTUS SUMMARY

1. INTRODUCTION

Prospectus Summary is an introduction to the Prospectus.

Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor. These Bonds constitute debt instruments. An investment in the Bonds involves risks. By investing in the Bonds, investors lend money to the Issuer who undertakes to pay interest on a quarterly basis and to reimburse the principal debt on the Maturity Date.

In case of a bankruptcy or in case the Issuer defaults on its outstanding obligations Bondholders may redeem in full amount from the Guarantee. In case of bankruptcy or default by the Guarantor, which has provided the Guarantee to secure the Issuer’s obligations to the Bondholders, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment, and the investors’ liability might not be limited to the amount of the investment. Civil liability attaches only to those Bondholders, who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors, when considering whether to invest in the Bonds.

Programme: KZT 20,000,000,000 (twenty billion) coupon Bonds

Issuer: «Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership

Contact details:

+7 (727) 339-05-05, ruslan@tascredit.kz

Kazakhstan, Almaty city, Zharokova Street, building 124, TAURUS BC, 8th floor, zip code 050057

Guarantor: “Microfinance organization “TAS MICROFINANCE” Limited liability partnership

Contact details of the Guarantor:

+7 (727) 312 29 77

Kazakhstan, Almaty region, Kaskelen city, Abylai Khan street, house 74.

Approval of the Prospectus: This Prospectus has been approved by the Resolution of the General Meeting of the Participants dated December 7, 2021 and by the AIX on December 9, 2021.

The contact details of the AIX: Kazakhstan, 55/19 Mangilik El st., block C 3.4. Nur-Sultan+7(717) 223 53 66.

2. KEY INFORMATION ON THE ISSUER

2.1. The Issuer of the Bonds

Name of the Issuer:

Full name: «Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership; short name: «МФО «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) LLP.

Location of the Issuer:

Kazakhstan, Almaty region, Kaskelen city, Abylay Khan street, building 74.

BIN/ LEI of the Issuer/ The Issuer’s legal form:

BIN 100240019642/ LEI has not been assigned/ Limited liability partnership.

Country of incorporation:

The Issuer is registered and carries out activities/business in accordance with the legislation of the Republic of Kazakhstan.

The Issuer’s activities are regulated by the Agency of the Republic of Kazakhstan on regulation and development of the financial market and the National Bank of the Republic of Kazakhstan.

The Issuer’s principal activities:

The Issuer is a for-profit generating institution the primary business of which is related to extension of microloans to individuals against movable collateral, i.e. cars/vehicles, and real estate in accordance with the law of the Republic of Kazakhstan" Microfinance activities".

Since 2019, the main product of Issuer is microloans secured by cars/vehicles.

Information on the Issuer’s Participants:

The Issuer’s Participants are the following individuals:

Dulat T. Tastekeyev (date of birth: 22.06.1982). Holds the following degrees: PHD, MBA, DBA from Narxoz University, Kazakhstan; Moscow School of Management SKOLKOVO, Digital transformation (Chief Digital Transformation Officer), Moscow, Russia; French School of business, Risk Management, EMBA France, Paris; Kazakh State Law University, Law, Kazakhstan; KIMEP, Finance, Kazakhstan. Mr. Tastekeyev started his career in 2003 as an analyst of JSC Halyk Pension Fund and credit analyst at BTA bank. His top managerial positions started from Company Pulsar where he started as a Financial Director. In 2005 he started his own business as the co-founder and General Director of TAS Credit company.

Rakhat T. Tastekeyev (date of birth: 09.09.1984). Graduated from Turan University with Bachelor’s Degree in Finance in 2006. After graduation, he started his career path from “Prosto Credit” LLP as Head Specialist. Afterward, he has started to take leading positions in JSC Eurasian Bank as a Deputy Director in Department of Retail Business. Since 2017, he is Managing Partner in «MFO «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) LLP.

Ruslan V. Kim (date of birth: 07.05.1979). Completed Bachelor Degree in Finance and Credit at Almaty State University named after Abay in 2004. Also, he has obtained a specialty as in Corporate Management at International Business Academy. He has accomplished study at program “Business Owner 2.0” from Business Constructor and the program “Workshop for Directors” from the Moscow School of Management SKOLKOVO. Ruslan’s career started from JSC Bank CenterCredit in charging for lending from EBRD, then he took place as Head of Management of Small and Medium Business Lending. His career in MFO “TAS FINANCE GROUP” LLP begins from 2016 in Operational Department, and then he gets promotion as the Managing Partner in 2018

Sukhrob R. Kadyrov (date of birth: 18.11.1987). Has got a higher education from the Institute of Entrepreneurship and Service in the Republic of Tajikistan with a Bachelor’s degree in Economics since 2010. His first carrier started in JSC Barki Tojik as the Leading Economist.

Irina V. Syrbu (date of birth: 10.08.1993). Graduated from The Moscow University named after Lomonosov - High School of Television with M.A. in Journalism (2020). Her career way began at JSC Gazprom – Media digital as the marketing manager. Since 2020, she is the producer of Moscow-24 www.m24.ru.

Information on the Issuer’s Supervisory Board:

Pursuant to the Charter and the decision of the general participants meeting of the Issuer (minutes dated 24 January 2020), the Issuer has formed the Supervisory Board in the following composition:

Aizhan S. Tastekeyeva: (date of birth: 22.07.1983). Has graduated from the KEU by Ryskulbekov, holds a bachelor’s degree in accounting and audit; holds a master’s degree from KazNU by Al-Farabi, philosophy and politics faculty. Started the career back in 2012 as the accountant at the Lombard organization and afterwards held (until recently) CFO position in the Company.

Ular Raimbek: Graduated from Balkhash multi-profile college in Economics, Accounting and Audit; Kazakhs Russian University, holds a degree in Economic Science.

Started his career in finance as a credit analyst at JSC Homecredit Bank, then had a sale manager position at Lending department of Balkhash Branch of JSC Kazkommertsbank, and consultant position at Eurasian Bank JSC. Started his career at TAS Credit back in 2015 as a Head of a branch in Astana and has been promoted to a Regional Director and then Executive Director of the MFO “TAS FINANCE GROUP” LLP. Since February 2019 is a Commercial Director of TAS.

Aleksey Tunikov (an independent member of the Supervisory Board): A founder and manager of Group 38.RU in Moscow. He graduated from Moscow State Law Academy in Moscow, Russia and holds the degree in civil and family law. After that he Graduated from Moscow School of Management SKOLKOVO, (Chief Digital Transformation Officer). Started his career in 2005 as an assistant to advocate, then held legal positions in businesses. Started his career as a top manager at SpesTorg Ltd and Auto#38 in Moscow before became a general director in finance organizations including AutoLombard PlanB Ltd. in Moscow.

The members of the Supervisory Board are elected for a three-year term.

Information on the Issuer’s General Director:

According to the minutes of the extraordinary general meeting of participants of the Issuer, Dulat T. Tastekeyev holds a position of the Issuer’s General Director from 2010.

Information on the Issuer’s auditors

The independent auditor of the Company is “Crowe Audit Astana” LLP, 55/16 Mangelik El Ave., 347-348, Nur-Sultan, Z05T3F2.

Information on the Issuer’s financial statements

All information of financial statements issued for the last 3 years is available on corporate website:

<https://tascredit.kz/ru/finansovaya-otchetnost/>

Key events of the Issuer

1. On May 14, 2021, the Issuer carried out the reorganization procedure by joining MFO “TAS CREDIT” LLP, after this procedure there was a change in the composition of the Issuer's participants and a change in the size of the Company's authorized capital;

Participants:

- Tastekeyev Dulat Tursynovich
- Tastekeyeva Aizhan Serikovna
- Tastekeyev Rakhat Tursynovich
- Tastekeyeva Dinara Kdylbekovna

Authorized capital: 1,100,000,000 (one billion one hundred million) tenge.

On September 8, 2021, the Issuer carried out the procedure for the alienation of shares in the authorized capital, on the basis of this procedure, the composition of the Issuer's participants changed;

Participants:

- Tastekeyev Dulat Tursynovich

- Tastekeyev Rakhat Tursynovich
- Kim Ruslan Vyacheslavovich

2. On September 10, 2021, the Issuer carried out the reorganization procedure by joining “TASCREDIT ONLINE Lombard” LLP, after this procedure there was a change in the composition of the Company's participants, a change in the size of the Company's authorized capital and a change in the name of the Company;

Participants:

- Tastekeyev Dulat Tursynovich
- Tastekeyev Rakhat Tursynovich
- Kim Ruslan Vyacheslavovich
- Kadyrov Sukhrob Rakhmatulloevich
- Syrbu Irina Valerievna

Authorized capital: 1,465,000,000 (one billion four hundred sixty-five million) tenge.

Key information of Issuer operational activities

Company	Key activities
MFO «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУП) LLP	Prior to the moment when Issuer combined both companies: MFO “TAS CREDIT” LLP and “TASCREDIT ONLINE Lombard” LLP, company carried out microfinance activities for the issuance of microcredits to legal entities and / or individuals on the security of vehicles in accordance with the law of the Republic of Kazakhstan" Microfinance activities ". At the present time, MFO “TAS FINANCE GROUP” (ТАС ФИНАНС ГРУП) LLP carries out the same activities that it had before the moment of joining the mentioned legal entities (the Companies). Namely, it carries out microfinance activities for issuance of microcredits to legal entities and / or individuals secured by vehicles.
“TASCREDIT ONLINE Lombard” LLP	Before merge with Issuer, company carried out pawnshop activities for issuance of microcredits to individuals secured by vehicles in an online format through the TASCREDIT.ONLINE application. Operational activities have been carried out in accordance with the law of the Republic of Kazakhstan" Microfinance activities ".
MFO “TAS CREDIT” LLP	Before joining to Issuer, it is executed microfinance activities for issuance of microcredits to legal entities and /or individuals on the security of vehicles in accordance with the mentioned legislation.

2.2. What is the key financial information

Financial position of the Issuer

As at 30 June

As at 31 December

<i>KZT'000</i>	2021	2020	2020	2019
	(unaudited)	(unaudited)	(audited)	(audited)
Assets				
Cash and cash equivalents	79,413	62,498	457,495	67,779
Loans issued	17,931,526	5,304,997	12,905,504	2,749,639
Other assets	2,278,424	121,614	1,999,851	1,182,893
TOTAL ASSETS	20,289,363	5,489,108	15,940,660	4,817,269
LIABILITIES	9,249,032	3,234,030	12,564,140	3,310,396
Financial liabilities	9,027,050*	2,997,098	12,080,433	2,558,545
Other liabilities	221,982	236,932	483,707	751,851
EQUITY	11,040,331	2,255,078	3,376,520	1,706,873
Authorized capital	1,100,000	500,000	500,000	500,000
Retained earnings	9,940,331	1,755,078	2,876,520	1,206,873
TOTAL EQUITY AND LIABILITIES	20,289,363	5,489,108	15,940,660	4,817,269

Note: * as at 30 June 2021, financial liabilities are presented as Loans received from JSC Halyk Bank of Kazakhstan in amount of 4,999,701 thousand tenge and account payable in amount of 4,027,349 thousand tenge. Account payable consists of: issued bonds in size of 2,499,000 thousand tenge and financial liabilities of “TASCREDIT ONLINE Lombard” LLP in amount of 1,528,349 thousand tenge.

Performance of loan portfolio

Criterion	As at 30 June		As at 31 December	
	2021	2020	2020	2019
Loan portfolio, <i>KZT'000</i>	17,825,464,516	10,686,477,291	14,237,383,216	2,713,727,000
Collateral value, <i>KZT'000</i>	42,861,937,833	15,242,517,407	31,541,071,687	5,427,454,000
NPL (90+ days), %	3,57%	7,25%	4,8%	3,23%

Profit and loss statement of the Issuer

<i>KZT'000</i>	For 6 months ended 30 June		For year ended 31 December	
	2021	2020	2020	2019
	(unaudited)	(unaudited)	(audited)	(audited)
Interest income	4,109,557	1,003,835	3,851,130	1,542,022
Interest expenses	(522,222)	(190,518)	(480,664)	(110,030)
Net interest income	3,587,335	813,317	3,370,466	1,431,992
General and administrative expenses	(739,144)	(210,809)	(1,254,825)	(575,945)
(Loss)/reversal losses from impairment and write-offs of assets	4,820,605*	-	(394,936)	15,427
Other income and expenses	(426,739)	51,027	470,172	180,094
Net loss on foreign exchange transactions	-	(49,506)	(88,351)	-
Profit before tax	7,242,057	604,029	2,102,526	1,051,568
Income tax expense	(178,245)	(55,823)	(432,879)	(215,854)
Profit for the year	7,063,812	548,206	1,669,650	835,714
Other comprehensive income	-	-	-	-

Total comprehensive income for the year	7,063,812	548,206	1,669,650	835,714
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Note: *In this P&L item for 6 months ended 30 June 2021 4,678,735 thousand tenge is retained earnings of an affiliated company MFO “TAS CREDIT” LLP.

2.3. Key risks specific to the Issuer

The Issuer believes that the risks described below represent the principle risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on, or in connection with the Bonds may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive. The risks provided below are inherent to the Guarantor as well.

1. The Company’s business is affected by general business and economic conditions, which could materially and adversely impact its business, financial condition and results of operations.
2. The Company’s business activity is subject to licensing by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market starting from 1 January 2021. The inability to retain the relevant license could negatively affect the Company’s business, financial condition, results of operations and prospects. The Company is exposed to liquidity risk, foreign currency and market interest rate fluctuations that may adversely affect the Company’s financial performance and its future operations.
3. The Company operates in a highly competitive industry and it may be unable to compete successfully against existing or new competitors.
4. Existing and future funding terms may impose financial and operating restrictions on the Company.
5. The inability to attract sufficient funds for operations may adversely affect the Company’s business, financial condition, results of operations and prospects.
6. Difficulties related to proper assessment of potential borrowers’ credit risk may have negative implications on the quality of the loan portfolio.
7. Asset impairment loss allowance may not be sufficient to cover future credit losses.
8. Unforeseen or catastrophic events, including the emergence of a pandemic, terrorist attack, extreme weather events or other natural disasters could materially negatively impact the Company’s business.
9. The Company’s operations largely depend on efficient and uninterrupted functioning of information systems.
10. Failure to comply with anti-money laundering law enacted by the National Bank of the Republic of Kazakhstan in 2009, could have a negative impact on the Company’s reputation and business operations.

3. KEY INFORMATION ON THE GUARANTOR

Guarantor: “Microfinance organization “TAS MICROFINANCE” Limited liability partnership

Contact details of the Guarantor:

+7 (727) 312 29 77

Kazakhstan, Almaty region, Kaskelen city, Abylai Khan street, house 74.

3.1. The Guarantor of the Bonds

Brief description of the guarantor, including its LEI:

BIN/LEI of the Guarantor	180140014692/ LEI has not been assigned
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The Guarantor’s contact details	“Microfinance organization “TAS MICROFINANCE” Limited liability partnership's address: Kazakhstan, Almaty region, Kaskelen city, Abylai Khan street, house 74.
The Guarantor’s principal activities	The activity of the Guarantor is the provision of microcredits to individuals and legal entities with or without collateral, short-term loans secured by vehicles in accordance with Law of “Microfinance organisations” The main product is microloans secured by real estate to legal entities (only for business purposes)
Information on the Guarantor’s participants	Tastekeyev D.T. (20.0%), Tastekeyev R.T. (20.0%), Kim R.V. (20.0%), Okimbayev N.E. (20.0%), Beken A.G. (20.0%)
Guarantor’s Auditor	“Crowe Audit Astana” LLP, 55/16 Mangelik El Ave., 347-348, Nur-Sultan, Z05T3F2.
Guarantor’s Disclosure of financial Statements	All information of financial statements issued for last 3 years is available on corporate website: https://tasmicrofinance.kz/?page_id=507

Key financial information about the Guarantor operational activity:

Since the moment of registration and up to the present time, Guarantor has been carrying out microfinance activities for the issuance of microcredits to legal entities secured by the real estate.

3.2. What is the key financial information

Financial position of the Guarantor

	As at 30 June		As at 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (unaudited)
<i>KZT'000</i>				
Assets				
Cash and cash equivalents	34,886	31,326	26,054	11,117
Loans issued	1,406,409	168,698	742,210	138,680
Other assets	3,873	634	3,006	724
TOTAL ASSETS	1,445,167	200,657	771,270	150,521
LIABILITITES	1,207,056	70,834	633,816	34,432
Financial liabilities	1,076,500	49,092	623,234	29,867
Other liabilities	130,557	21,742	10,582	4,565
EQUITY	238,111	129,823	137,454	116,089
Authorized capital	100,000	100,000	100,000	100,000
Retained earnings	138,111	29,823	37,454	16,089
TOTAL EQUITY AND LIABILITITES	1,445,167	200,657	771,270	150,521

Performance of loan portfolio

Criterion	As at 30 June		As at 31 December	
	2021	2020	2020	2019
Loan portfolio, <i>KZT'000</i>	1,366,843,989	149,751,350	723,871,046	131,229,677
Collateral value, <i>KZT'000</i>	6,447,622,370	524,770,628	3,249,060,982	460,670,707
NPL (90+ days), %	6,0%	5,0%	4.7%	2.9%

Profit and loss statement of the Guarantor

<i>KZT'000</i>	For 6 months ended 30 June		For year ended 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (unaudited)
Interest income	210,847	27,077	97,369	30,008
Interest expenses	(95,564)	(4,584)	(34,344)	(367)
Net interest income	115,823	22,493	63,025	29,721
General and administrative expenses	(27,481)	(9,234)	(32,703)	(14,551)
(Loss)/reversal losses from impairment and write-offs of assets	-	-	(6,774)	-
Other income and expenses	12,855	475	323	1,054
Profit before tax	100,657	13,734	26,808	16,224
Income tax expense	-	-	(5,443)	(3,995)
Profit for the year	100,657	13,734	21,365	12,229
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	100,657	13,734	21,365	12,229

3.3. Key risks specific to the Guarantor

Since operational activities of the Guarantor and the Issuer are the same, the risk specified in part 2.3 is also applicable for the Guarantor.

4. KEY INFORMATION ON THE BONDS

4.1. The main features of the Securities

Programme

KZT 20,000,000,000 coupon Bonds. All the terms and conditions of this Prospectus apply to every Tranche under the Programme. The Tranches under the Programme may be issued at the sole discretion of the Issuer. The aggregate amount of all Tranches may not exceed KZT 20,000,000,000 until December 31, 2026.

Currency: Kazakhstan tenge

Denomination: KZT 500,000

Number of the Bonds: 40,000 Bonds

Issue price:

The exact Issue Price shall be at 100% to a face value and determined in accordance with the relevant Final Terms of each Tranche. The number and size of Tranches will depend on future needs in financing based on the market conditions. Each Final Terms will be submitted to the AIX as a supplement document to this Prospectus.

Ranking:

The Bonds shall constitute direct, general and unconditional obligations of the Issuer which will rank *pari passu* among themselves and rank *pari passu*, in terms of payment rights, with all other current or future unsubordinated unsecured obligations of the Issuer, except for liabilities mandatorily preferred by law.

Restrictions on the free transferability:

The Bonds are freely transferable in accordance with the laws of the AIFC and the AIX rules.

Rights granted to the Bondholders:

- 1) receive nominal value of the Bonds set out by this Prospectus and the relevant Final Terms;
- 2) the right to receive a fixed interest on the Bonds from their face value in the time and amount stipulated by this Prospectus and the relevant Final Terms;
- 3) the right to receive information about the Issuer’s activities and its financial condition in accordance with and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;
- 4) the right to satisfy their claims in respect of the Bonds in cases and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;
- 5) the right to declare all or part of the Bonds for repurchase in cases established by this Prospectus and the relevant Final Terms including upon occurrence of an Event of Default and breach of covenants;
- 6) the right to freely sell and otherwise dispose of the Bonds;
- 7) the right to demand repayment of the Issuer’s debts from the Guarantor under the Guaranteed Obligations;
- 8) the right to apply to the court in case of non-fulfillment of the Guaranteed Obligations by the Guarantor, demanding the repayment of the Issuer’s debts independently or as part of a collective action, sent by the Representative of the Bondholders on behalf of the Bondholders;
- 9) other rights arising from the ownership of the Bonds in cases and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan.

4.2. The venue where the Bonds are traded

Application has been made to admit the Bonds to the Official List of the AIX and to trading on the AIX.

4.3. The Guarantee of the Bonds:

The Guarantor assumes full joint and several liability to each/ any Bondholder in case of failure to fulfill and/ or improper performance by the Issuer of its obligations for any Tranche of the Bonds under the Programme. The Guarantee ensures the liabilities for any Tranche of the Bonds under the Programme, as follows: 1) payment in full of the principal debt on the Bonds on their redemption or repurchase (within the limits of the nominal value of each Bond) and the coupon payment in the terms stipulated by this Prospectus and the relevant Final Terms; 2) Penalties accrued in favour of the Bondholders in accordance with the terms of this Prospectus and the relevant Final Terms and payable in connection with the late performance of the Issuer’s liabilities on payment of the principal debt on the Bonds on their redemption and/ or coupon payment; 3) reimbursement of legal costs for debt collection, other losses of Bondholders caused by non-performance and (or) improper performance by the Issuer of obligations under the Prospectus and the relevant Final Terms (the “**Guaranteed Obligations**”). The

Guarantee is valid until the debt to the Bondholders is fully paid by the Guaranteed Obligations. The Guarantee is given in Schedule 3 to this Prospectus.

If any one or more of events of default described in section 3.6. Events of Default shall occur and the Issuer is not able fulfill it’s obligations, the Bondholder may give a written notice to the Guarantor at its registered office and the Guarantor shall pay all sums demanded under the Guarantee from the date of non-fulfillment or improper fulfillment of obligations by the Issuer.

4.4. Key risks specific to the Bonds

- (1) Delisting of the Bonds from the Official List may result into gains and interests accrued on the Bonds be taxable in the Republic of Kazakhstan.
- (2) The market price of the Bonds may be volatile.
- (3) The terms and conditions of the Bond issue may be subject to amendments (modification and waivers), which will be applied in case of the relevant decision of the Bondholders.

5. KEY INFORMATION ON THE ADMISSION TO TRADING

5.1. Terms and conditions for investing into these Securities

Admission to trading:

Application has been made for the Bonds to be admitted to the Official List of AIX and the Bonds are expected to be admitted to trading on 13 December 2021.

Plan for distribution:

The Bonds will be offered in or from AIFC to a wide range of investors (subject to applicable laws and regulations) in Kazakhstan.

Offering method:

Public offering. Offering of the Bonds will be made through subscription using the book-building platform of the trading system of the AIX in accordance with the AIX Business Rules and relevant AIX market notices.

Notification process for investors

Prior to the start of the offering process the Issuer will communicate the information relating to an offering by means of Prospectus and Final Terms related to each particular Tranche. The Final Terms and Prospectus will be published on the AIX website. Prior to the start of the book-building process the AIX will issue a market notice setting out, among other things, the main terms and conditions of the book-building and settlement procedures in connection with the offering through AIX, and the related responsibilities of the AIX trading members. Dealings in the Bonds shall not commence prior to admission to trading of the Bonds by the AIX or prior to the said notification.

Selling restrictions

The offering and sale of the Bonds is subject to applicable laws and regulations, including the AIFC Market Rules and AIX Market Listing Rules. The Bonds may not be sold in other jurisdictions, including without limitation the United States, the United Kingdom and the European Economic Area. The Bonds have not and will not be registered under the U.S. Securities Act of 1933 or the securities laws of any state of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

Allotment of the Bonds

The Issuer may, at its sole discretion, allot any Bonds to itself or any of its related persons, without any restriction subject to relevant disclosure in accordance with AIX Business Rules. The allotment of the Bonds to subscribers shall be at the absolute discretion of the Issuer. The Issuer may refuse to allot the Bonds subscribed by any subscribers at its sole discretion. The allotment date of the Bonds will be disclosed in the market notice issued by the AIX prior to the book-building process.

Estimated expenses:

Fees associated with admission of the Bonds to the Official List of the AIX and to trading on the AIX pursuant to the AIX Fee Schedule.

The Issuer will not charge investors and bondholders any commissions. The investor shall independently (or together with his consultant or broker) evaluate all other fees and commissions the investor shall or may incur when purchasing the Bonds.

5.2. The purpose of this Prospectus

The Issuer is the initiator of the admission of the Bonds to the Official List.

Use of Proceeds:

The use of proceeds for each Tranche is defined in respective Final Terms.

Estimated Net Amount of Proceeds: as specified in the Final Terms.

Lead Manager and Bookrunner:JSC Halyk Finance, 109V Abay Avenue, Almaty, the Republic of Kazakhstan

Conflict of interest:

No person involved in the offering of the Bonds has any interest in the offering, which is material to the offering.

REGISTRATION DOCUMENT

1. INFORMATION ABOUT THE ISSUER

1.1. General information

The full legal and commercial name of the Issuer «Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership

Short legal name of the Issuer «MFO «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) LLP

Legal form of the Issuer Limited liability partnership

Country of incorporation of the Issuer Republic of Kazakhstan

Incorporation number Business Identification Number (BIN) 100240019642

Date of incorporation 23 February 2010

Date of registration 23 February 2010

Time the Issuer has remained incorporated or registered 11 years

Registered office Kazakhstan, Almaty region, Kaskelen city, Abylay Khan street, building 74; +7 (727) 339-05-05.

Legal form of the Issuer

Limited Liability Partnership

- ✓ The liability of the Participants is limited by the Civil Code of the Republic of Kazakhstan, the Law of the Republic of Kazakhstan “On Limited and Additional Liability Partnerships” and the Charter.
- ✓ The Issuer is not treated as a special purpose vehicle and according to the Law of the Republic of Kazakhstan “On Microfinance Activity” microfinance organizations are not restricted to issue debt securities and have such admitted to trading on AIX.
- ✓ The Issuer does not have subsidiaries and (or) dependent legal entities. The Issuer does not own ten or more percent of the authorized capital in any legal entities.

1.2. Investments

There were no substantial investment activities carried out by the Issuer during the course of 2019, 2020 and for six months of 2021.

2. OPERATIONAL FINANCIAL OVERVIEW

2.1. Actual and proposed business activities

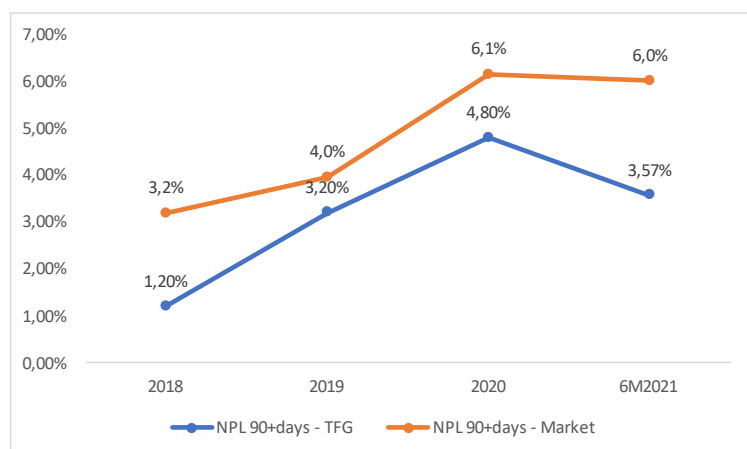
History of the Issuer

- ✓ The Issuer was incorporated and registered in the Republic of Kazakhstan on 23 February 2010. The Issuer remains a registered legal entity from this date. The term of state registration as a legal entity is not limited.
- ✓ The Issuer was registered under the name TAS Lombard Limited Liability Partnership during initial state registration. On January 11, 2018, state re-registration was made, as a result of which the Issuer’s name was changed to the “Microfinance organization “TAS FINANCE GROUP” Limited liability partnership.
- ✓ The Issuer was renamed under the name “Microfinance organization “TAS FINANCE GROUP” Limited Liability Partnership. State re-registration was made, as a result of which the Issuer’s name was changed to the “Microfinance organization “TAS FINANCE GROUP” Limited liability partnership on May 11, 2020.
- ✓ The National Bank of the Republic of Kazakhstan has registered the Issuer as a microfinance organization according to the notification №KZ77VGY00001606 confirming the entry under the № 05M20089 dated from 30 June 2020 in the registry of microfinance organizations, in accordance with the Law of the Republic of Kazakhstan “On Microfinance Activities”. The period of accounting registration of the Issuer as a microfinance organization is unlimited.
- ✓ The Company’s business activity is subject to licensing starting from 1 January 2021. The Company has successfully received the license# 05.21.0006.M. on 26 February 2021, in accordance with the Licensing Regulation issued by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market. During 2021 in order to achieve the most efficient use of assets, to increase the competitiveness of services provided in a market, to streamline management and reduce costs in order to increase profits and increase the volume of services, the Company has accomplished a reorganization process by merging “TASCREDIT ONLINE Lombard” LLP and “MFO “TAS CREDIT” LLP (the Permitted Reorganization).

Description of the principal activities, business of the Issuer, products and/or services and key factors relating to, the nature of the Issuer's operations and its principal activities

Founded in 2010, the Company’s core business is provision of microloans secured by vehicles to individuals and legal entities. The Company’s products are characterized by high availability in the regions (there are 34 Tascredit branches and 6 TAS MICROFINANCE branches in Kazakhstan), as well as the speed of approval and issue. The decision to fund the Issuer was made in order to stimulate the sales by creating a unified ecosystem for servicing the customers, including by financing its customers through the provision of microloans.

Since 2019, LLP "MFO" TAS FINANCE GROUP "is the founder of the Association of Legal Entities" Association of Motor Vehicle Lending Companies". The company is actively engaged in the digitalization of its services, which allows you to fully issue a loan in 30 minutes. The microloans are issued using IT platform for lending under property pledge and based on scoring and recovery IT system with unique methods of penalties. In accordance with graph the Issuer’s NPL (90+ days) (hereinafter – “TFG NPL”) as at 30 June 2021 comprised 3.57% which is lower than the market level of NPL (90+ days) (6%). The main reason of such low rate is the improved scoring model and collection methodology. Therefore, the Issuer efficient risk management includes trustworthy valuation of client solvency before granting a microloan and the well-proven process of recovering overdue debt with its own soft, hard and legal collection services.



Note: The graph shows the ratio of the total principal amount of loans and accrued interest with principal and/or interest overdue by more than 90 days to the gross loan portfolio.

Source of Market NPL: For calculation of market NPL (90+days), including all microfinancing organizations, which provide unsecured and/or secured loans.

Significant event for the Issuer during the period of its existence is the date of registration of the Issuer as a microfinance organization. The National Bank of the Republic of Kazakhstan made a registration of the Issuer as a microfinance organization, which was provided to the Issuer by notification № KZ77VGY00001606 confirming the entry in the register of microfinance organizations under the № 05M20089 dated from June 30, 2020, in accordance with the Law of the Republic of Kazakhstan “On Microfinance Activities”. The term for the Issuer’s registration as a microfinance organization is unlimited. The Company’s business activity is subject to licensing starting from 1 January 2021. The Company has successfully received the license #05.21.0006.M. on 26 February 2021, in accordance with the Licensing Regulation issued by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market (Microfinance Activities license).

In 2019 the Company passed an accreditation on the European investment platform “Mintos”, used for attraction of source of financing for Loan portfolio. In 2020 more than 5 million Euro were utilized and successfully repaid on Mintos platform. In 2020 the Company has a successful launch of the new product "Loans for a car purchasing". However, today the Issuer has stopped working on this platform since the end of 2020 year.

The Issuer conducts its activities under the in accordance with the Law of the Republic of Kazakhstan “On Microfinance Activities” and Microfinance Activities license issued by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market.

The Company operates in a highly regulated environment, and an inability to maintain the Microfinance Activities license by the Company could have a material adverse effect on the Company’s business. Existing laws and regulations could be amended, the manner in which laws and regulations are enforced or interpreted could change and new laws or regulations could be adopted. Certain failures by the Bank to comply with applicable laws or regulations could result in the withdrawal of and Microfinance Activities license, which would have a material adverse effect on the Company’s business, financial condition, results of operations or prospects.

The annual effective interest rate for customers loans should not exceed 56% in accordance with the requirements of the Agency for regulation and development of financial market and other applicable laws the Republic of Kazakhstan. For the calculation of the annual effective rate as well as the procedure of setting the rate the Issuer adheres to and complies with the regulations and requirements of the Agency for regulation and development of financial market and other applicable laws the Republic of Kazakhstan.

The below table shows historical and current weighted average effective interest rate for Issuer’s and Guarantor’s main credit products:

Date	Credit product	
	Loans secured by real estate	Loans secured by automobile
As at 31 December 2018	-	159,38%
As at 31 December 2019	47,98%	114,64%
As at 31 December 2020	48,33%	54,79%
As at 30 June 2021	48,16%	54,18%

Note: loans secured by real estate are credit products of the Guarantor, while loans secured by automobile are represented by the Issuer.

Description of the principal markets in which the Issuer operates, including a breakdown of total revenues by category of activity and geographic market

The Issuer operates exclusively in Kazakhstan. 100% of revenues for the financial years 2020 and 2019 comes from Kazakhstan market.

Result of financial operation of the Issuer

KZT'000	For 6 months ended 30 June		For year ended 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (audited)
Interest income	4,109,557	1,003,835	3,851,130	1,542,022
Interest expenses	(522,222)	(190,518)	(480,664)	(110,030)
Net interest income	3,587,335	813,317	3,370,466	1,431,992
General and administrative expenses	(739,144)	(210,809)	(1,254,825)	(575,945)
(Loss)/reversal losses from impairment and write-offs of assets	4,820,605*	-	(394,936)	15,427
Other income and expenses	(426,739)	51,027	470,172	180,094
Net loss on foreign exchange transactions	-	(49,506)	(88,351)	-
Profit before tax	7,242,057	604,029	2,102,526	1,051,568
Income tax expense	(178,245)	(55,823)	(432,879)	(215,854)
Profit for the year	7,063,812	548,206	1,669,650	835,714
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	7,063,812	548,206	1,669,650	835,714

Market position

According to the NBK data (<https://nationalbank.kz/ru/news/svedeniya-o-mikrofinansovyh-organizacijah/rubrics/1631>), the Company is the sixth largest microfinance company in Kazakhstan by net loan portfolio (excluding loan loss provisions). As at 1 July 2021, total assets of the microfinance sector in Kazakhstan amounted to KZT 644 bn, of which 65% is attributable to the above-mentioned companies (including TAS FINANCE GROUP). The main competitors of the Company are:

Company name	Net portfolio, (KZT thousands)
1. “MFO KMF” LLP	159,776,359
2. “Toyota financial services” LLP	90,500,880
3. “OnlineKazFinance” LLP	70,780,107
4. “MyCar Finance” LLP	53,941,376
5. “Arnur Credit” LLP	23,902,617
6. “TAS FINANCE GROUP” LLP	20,289,363

Focusing on the secondary car market the Company is the leading microfinance company in Kazakhstan by a loan portfolio secured by the borrower's car title as collateral.

2.2. Risk factors

Risk management is fundamental to the business and is an essential element of the Issuer’s operations. Credit risk is the main risk faced by the Issuer in the process of carrying out its activities. The assessment of this risk is of particular importance in connection with the fact that the Issuer plans to advance proceeds from placement of the Bonds in the form of secured microloans as part of its core business. Principal debt and coupon payments on the Bonds will be paid out of the proceeds from these microloans.

This type of risk is fundamental for the industry in which the Issuer operates. There are no specific other risks affecting the activities of the Issuer or the industry in which it operates.

The internal documents of risk management procedures are aimed at identifying, analyzing and managing the risks to which the Issuer is exposed. Internal regulatory documents on risk management are reviewed on a regular basis.

The risk management strategy is reflected in the internal documents of the Issuer.

The objectives of risk management activities are:

- timely identification of risks within the framework of internal business processes;
- appropriate procedure for conducting operations and transactions in microcredit and financial leasing;
- monitoring compliance with laws, regulations, and ethical and professional standards;
- minimization of losses and reduction of current expenses on possible losses.

The executive body of the Issuer is responsible for the proper functioning of the risk management control system, for the management of key risks and the approval of risk management policies and procedures, as well as for the approval of major transactions. Moreover, the decision to approve certain transactions not related to microlending and financial leasing is referred to the exclusive competence of the supreme body of the Issuer, that is, the General Meeting of Participants.

The Credit Committee has been created in order to effectively control credit risk. The Credit Committee determines the optimal structure of assets and liabilities, as well as measures to manage risks related to the placement of assets. The Credit Committee, in accordance with internal regulatory documents, determines the directions of financing transactions and monitors the quality of the portfolio of microloans and financial leasing, as well as determines measures to reduce risk.

Credit risks are managed and controlled by the Credit Committee, both at the portfolio level as a whole and at the level of individual transactions. Liquidity risk, risks associated with attracting financial resources are managed and controlled by the head of the Issuer with the involvement of the appropriate unit of the Participants.

Credit risk

Credit risk is the risk of financial losses arising as a result of default by a borrower or counterparty to the Issuer. The Issuer has developed a policy and procedures for managing credit risk (on balance sheet and off-balance sheet positions), including requirements for setting and observing concentration limits for the loan portfolio, and also created a Credit Committee, whose functions include active monitoring of the credit risk of the Issuer. “Rules for the provision of micro loans” dated of 01 July 2020 of the Issuer are considered and approved by the General Director and the General Meeting of Participants.

The above Issuer’s rules establish:

- procedures for consideration and approval of applications for micro loans;
- methodology for assessing the creditworthiness of borrowers;
- methodology for assessing the creditworthiness of counterparties and insurance companies;
- methodology for assessing collateral;
- minimum financial and secured requirements for micro loan approval.
- requirements for credit documentation;
- procedures for the ongoing monitoring of micro loans and other credit risks.

The main objective in managing credit risk is to pursue a balanced lending policy that combines profitability with the security of placing the assets of the Issuer during operations to exercise the rights of claim on loans, monitoring the condition of the loan portfolio based on comprehensive, objective, complete and qualified monitoring.

Exposure to credit risk is mainly controlled by obtaining high-quality collateral, guarantees.

All issues related to the issuance and repayment of a micro loan, reduction (increase) in interest rates and other additional conditions are agreed upon by the parties in the micro-credit agreement and additional agreements thereto.

Analytical accounting of micro loans granted is carried out for each borrower separately, in the context of:

- micro loan agreement;
- by the terms of loans granted;
- accrued remuneration;
- prolongation of principal and accrued interest;
- delays in principal and accrued interest;
- accrued fines and penalties;
- accrued indexation on principal and interest;
- collateral;
- title documents.

Microloans are divided into short-term loans - up to one year (inclusive), long-term - over one year by terms of use.

Repayment of micro loans is carried out in accordance with the terms of the micro loan agreement in accordance with the payment schedule.

The sequence of payments on micro-loans is provided for in the terms of the micro-credit agreement. Debt repayment is carried out in the following order in case of violation of the payment schedule:

- debt on the principal;
- debt on remuneration;
- penalties and other penalties;
- amount of principal for the current payment period;
- remuneration accrued for the current payment period;

- costs of a microfinance institution to obtain execution.

The Issuer, in accordance with the terms of the contract, calculates the penalty (fine, interest) if there is an overdue debt on the principal debt, remuneration.

The Issuer, if there is objective evidence of impairment of the financial asset, calculates and creates an allowance for the impairment of the asset (principal debt and interest) in accordance with the approved “Methodology for calculating provisions (reserves)” of the Issuer and the requirements IFRS 9 if there is no payment or partial payment of the principal debt and accrued interest. Interest is subsequently calculated on the basis of real cash flows in accordance with the requirements of IFRS 9.

The issue is submitted for consideration by the Credit Committee to decide on the necessary measures to repay the borrower’s overdue debts since the fulfillment of obligations by the borrower under the microloan agreement is secured by a pledge, if there is delay of more than 60 days. The legal department of the Issuer carries out a procedure for the pre-trial settlement of a dispute with the debtor-borrower by sending appropriate notifications in the manner provided for in the microloan agreement. The Issuer applies to the court for the forced collection of the resulting debt in the event the debtor refuses to voluntarily fulfill obligations under the agreement.

The loans are secured by movable property. There is ongoing work with borrowers to return the past due obligations. In case of delay in payment of obligations such microloans are processed by the following order.

- Soft Collection process (for 1 - 8 days delay) includes calling clients in 2 cycles;
- Hard Collection process (6+ days of delay) includes calling the client, distributing departures to addresses, departing to addresses, searching for collateral, placing a collateral in the parking lot;
- Legal Collection process (60+ days of delay) includes preparation of a package of documents for further submission for an executive note by a notary or to the court. Depending on the decisions made, Legal Collection process ends by debt collecting (includes foreclosure on the pledged or other property of the debtor) with the assistance of private bailiffs.

Cash is placed in financial institutions, which at the time opening an account have a minimal risk of default.

A state of emergency was declared in the Republic of Kazakhstan from 16 March to 11 May 2020 due to the coronavirus infection COVID-19. In accordance with the Procedure for the suspension of payments of the principal debt and remuneration on loans to the population, small and medium-sized businesses affected by the introduction of a state of emergency, approved by order of the Chairman of the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market No. 167 dated March 26, 2020, credit institutions suspended payments on the principal debt and remuneration under bank loan and (or) microcredit agreements (for the period from 16 March 2020 to 15 June 2020 and only for microloans that were provided prior to 16 March 2020), in this connection, the Company did not accrue fines for late payments on loans.

Due to the situation that arose, in March 2020 the Company's profit decreased. Positive changes were recorded in April 2020.

Liquidity risk

Liquidity risk is associated with the possibility that the Issuer will encounter difficulties in raising funds to fulfill its financial obligations. Liquidity risk may arise as a result of the inability to quickly realize a financial asset at a cost approaching its fair value.

Liquidity requirements are regularly monitored, and management monitors the availability of funds in an amount sufficient to meet obligations as they arise.

Currency risk

Currency risk isn't inherent to the Issuer due to the fact that microloans issued by the Issuer are serviced in KZT. In other words, the Bonds are denominated in KZT, so the proceeds from the sale of Bonds are in KZT hence the loans extended to clients are also in KZT.

Operational risk

Operational risk is defined as the potential for losses due to defects or errors in internal processes, recruitment and regulations. Most of them have a low-risk rating and mitigating actions are already in place as part of the daily risk management procedures.

The Issuer has set requirements for the recruitment of personnel, which has led to the creation of the Issuer’s staff in order to manage the operational risk. In addition, the knowledge and skills required in this area industry are tested and a mentor is then appointed prior to hiring new employees. This approach helps to exclude losses or lost profit that the Issuer may incur in case of mistakes made by the Issuer’s employees due to lack of their knowledge in the specifics of organization.

Also, the Issuer is working on standardization of internal processes through the application of standard approved loan and pledge agreements, application of International Financial Reporting Standards, development of internal regulations that clearly regulate the procedure of each subdivision and determine the persons responsible for monitoring and control of subdivision activities.

COVID-19 related risk

In March 2020, the World Health Organisation recognized the outbreak of a novel strain of coronavirus, COVID-19, as a pandemic. In response to the pandemic, governments and communities have taken measures to contain the spread of the COVID-19 pandemic, including temporary closures of businesses; social distancing; travel restrictions; “shelter in place” and other governmental regulations; which have caused significant volatility in the financial markets and general economic conditions. These measures have negatively impacted businesses, market participants, financial markets and the global economy and could continue to do so for a prolonged period of time. In response to local COVID-19 related restrictions, a significant percentage of the Company’s employees have transitioned to working remotely. For those functions that cannot be performed remotely, the Company has implemented a number of measures to maintain the health and safety of its employees and customers, including limiting non-essential travel, cancelling in-person work-related meetings, and temperature screening. Widespread illness or long-term continuation of such measures could negatively impact the Company’s business.

The extent of the impact of COVID-19 on the Company’s business, operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, including any secondary outbreaks, and the impact on the Company’s customers, employees and the market in which it operates, all of which is uncertain at this time and cannot be predicted. The extent to which COVID-19 may impact the Company’s business, financial condition, liquidity, results of operations, cash flows, strategies and prospects cannot be reasonably estimated at this time.

Market risk

Demand for the Company’s products and services is affected by a number of general business and economic conditions. A decline in the Kazakhstani market or general economy could materially and adversely affect the Company’s business, financial position, results of operations or cash flows. The Company’s profit margins, as well as overall demand for its products and services, could decline as a result of a number of factors beyond the Company’s control, including economic recessions, changes in customer preferences, investor and consumer confidence, inflation, availability of credit, fluctuation in interest and currency exchange rates, changes in the fiscal or monetary policies of governments, a widespread pandemic, such as COVID-19, and political circumstances (including wars and terrorist acts).

The Company cannot predict the duration of current conditions or the timing or strength of any future activities on the Kazakhstan economy generally. Weakness in the market in which the Company operates could have a material adverse effect on the Company’s business, financial condition, results of operations or cash flows.

More generally, because the Company’s business is correlated to the general economic outlook, a significant deterioration in that outlook or realization of certain events could have a significant negative impact on the Company’s businesses and overall results of operations.

Regulatory risk

The Company’s business activity is subject to licensing starting from 1 January 2021. The Company has successfully received the license on 24 February 2021, in accordance with the Licensing Regulation issued by the Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market. Inability to retain this license could adversely affect the Company’s business, financial condition, results of operations and prospects as well as could lead to delisting of the Bonds from the AIX Official List.

The measures taken by the regulator are aimed at increasing transparency and protecting the rights of consumers of financial services and creating a regulated market for non-bank credit organizations, expanding the capabilities of microfinance organizations by increasing the maximum loan amount.

There is a risk that the regulator will take further measures to increase the requirements for microfinance organizations, which they will not be able to meet for some microfinance organizations at the same time, especially small ones.

The Issuer considers this risk to be low as it relates to rather large microfinance institutions operating in full compliance with the requirements of the regulator to the organization of activities and the level of prudential norms. The Issuer has systematized the work on providing reports and information to the regulator in order to further reduce the level of this risk.

Competition risk

The Company has a number of competitors on the Kazakhstani market. As some of them do not have well-organized business model, they may face a risk of breaching regulatory requirements; however, even commercial banks are regarded as strong competitors. Customer segment of the Company differs from the target audience of commercial banks. However, due to fierce competition in the banking sector, some banks may switch focus on the clients of microfinance organisations, thus showing up as competitors on the market. The Company may potentially face strong competition from the evolving nature of digital finance, which may allow existing microfinance organisations to grow their operations more rapidly through digital platforms or enable other new competitors to enter the microfinance industry. The ability of the Company to compete effectively is dependent on its ability to raise low-cost funding, maintain or decrease operating expenses and manage credit costs, and address adverse finance industry trends. There can be no assurance that the Company will be able to compete successfully against any or all of its current or future competitors. As a result, the Company could lose market share and its revenue could decline, thereby affecting business ability to generate sufficient cash flow to service financial debt or fund operations.

Risk of non-compliance with anti-money laundering law

Starting from December 2014 microfinance organisations in Kazakhstan are subject to the anti-money laundering law. Although the Company, as a financial institution, is required to comply with regulations that are generally less restrictive than those applicable to banks, it is still exposed to the risk of non-compliance and the risk of registration being suspended by the Agency for regulation and development of the financial market of the Republic of Kazakhstan. The company has anti-money laundering strategies and procedures in place. However, these strategies may not prevent all possible violations of the law. Failure to comply with the anti-money laundering law may result in criminal and civil law sanctions and other remedies. Any sanctions, remedies or investigations into alleged violations of the anti-money laundering Law will undermine the Company’s reputation and will have a serious adverse effect on business, financial condition, results of operations, prospects or cash flows.

Technology risk

IT systems are vulnerable to certain problems, including computer viruses, unauthorized access, physical damage to server and software or hardware malfunctions. Any disruption in, or security breach of IT systems, could have a material adverse effect on business operations, such as the ability to serve customers in a timely manner, to accurately record financial data and to protect business and customers from financial fraud or theft. If business operations are compromised, the Company’s reputation and client confidence may deteriorate and the Company

may suffer significant financial losses, any of which may have a material adverse effect on business, financial condition, results of operations, prospects or cash flows.

In addition, there can be no assurance that the Company will be able keep abreast of modern technological developments due to financial or technical limitations. Any inability to successfully develop or complete planned upgrades of the Company’s IT systems and infrastructure or to adapt business operations and software may have a material adverse effect on business, financial condition, results of operations, prospects or cash flows.

Since operational activities of the Issuer and the Guarantor are the same, therefore all mentioned risk factors are also applicable for TAS Microfinance LLP.

2.3. Sales trends

(a) Most significant recent trends in sales since the end of the last financial year

Despite the negative impact of COVID-19 pandemic and lock-down across Kazakhstan to businesses, market participants, financial markets and economy, the Company demonstrated a growth during 2020 and 6M2021.

The Issuer’s services consisted of microloans issued in 2019, 2020 and 30 June 2021

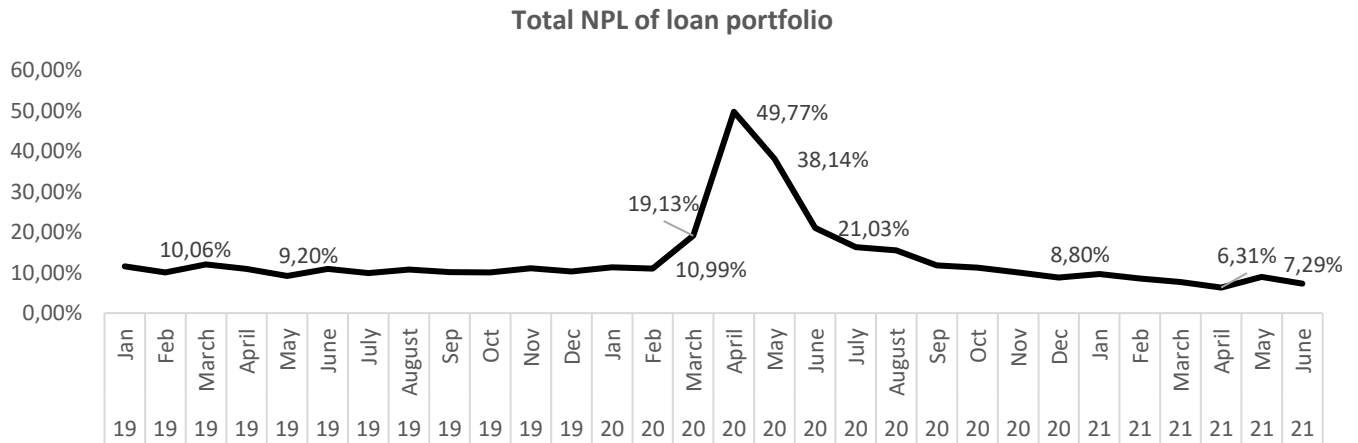
	As at 31 December		As at 30 June
	2019	2020	2021
Number of customers	5,826	16,343	14,007
	For year ended 31 December		For 6 months ended 30 June
	2019	2020	2021
Loans issued, KZT’000	11,270,569	33,401,919	29,927,709
Number of loans, quantity	12,696	30,281	23,473

A state of emergency was declared in the Republic of Kazakhstan from 16 March to 11 May 2020 due to the coronavirus infection COVID-19. In accordance with the Procedure for the suspension of payments of the principal debt and remuneration on loans to the population, small and medium-sized businesses affected by the introduction of a state of emergency, approved by order of the Chairman of the Agency of the Republic of Kazakhstan for the Regulation and Development of the Financial Market No. 167 dated March 26, 2020, credit institutions suspended payments on the principal debt and remuneration under bank loan and (or) microcredit agreements, in this connection, the Company did not accrue fines for late payments on loans for the period from 16 March 2020 to 15 June 2020 and only for microloans that were provided prior to 16 March 2020. In this period of time, fines and penalties for clients, who applied for payment holidays, were not charged and deferred payments were not accounted as delinquencies, since the repayment schedule was recalculated under the contracts of suffered customers from COVID-19.

Performance of the loan portfolio

	For 6 months ended 30 June 2021		For year ended 31 December			
	KZT’000	Per cent of the total loan portfolio	2020	Per cent of the total loan portfolio	2019	Per cent of the total loan portfolio
NPL (90 days +)	637,091	3,57%	682,704	4.80%	87,367	3.23%

It should be noted that there have been no significant negative changes in the results of the Issuer’s activities since the 2020 reporting period given the impact of this factor. Despite the fact that the overall macro situation made implications on the performance of loans (NPLs 90+ days overdue) the level of NPLs is low and manageable: 3.23% as at 31 December 2019, in 2020 NPL level was up to 4.80% predominantly driven by the Issuer introducing rescue measures and allowing deferred payments against the loans extended and was down for the first 6 months of 2021 to 3.57%.



Note: The graph shows the total NPL for the loan portfolio, i.e. this coefficient includes all delinquencies starting from the 1st day of the overdue payment.

As can be seen from graph above, the pandemic has a drastic effect on the Issuer’s loan portfolio quality for 3 months of the suspended payments regime (16/03/2020 – 15/06/2020) with Total NPL (1 day+) significant increasing from 10.99% in February 2020 to 49.77% in April 2020.

3. CONSTITUTION AND ORGANISATIONAL STRUCTURE

3.1. Constitution

The charter of the Issuer (the “**Charter**”) was approved by the decision of the General Meeting of Participants - the minutes dated September 09, 2021.

Issuer’s objectives and purpose and where they can be found in the constitution.

The main purpose of the Issuer’s business activities as a commercial organization is to generate income, that is, net income from the statutory activities, according to clauses 4.1. of the Charter.

Types of activities that the Issuer may carry out are stipulated in clause 4.2. of the Charter. These include both activities directly related to the implementation of microcredit services and the organization of their implementation, as those activities that are specialized, but not the proceeds from which do not form the main income of microfinance organizations. For example, provision of consulting services on issues related to the activities of microcredit or implementation of specialized literature on the activities of microfinance organizations on any media.

The main types of the authorized activities of the Issuer are the following:

- 1) provision of microcredits to individuals and legal entities with or without security;
- 2) attraction of loans (except for attraction of money in the form of loans from citizens as entrepreneurial activity) and grants from residents and non-residents of the Republic of Kazakhstan;

- 3) placement of temporarily free assets on deposits of second tier banks and other methods that do not contradict the legislation of the Republic of Kazakhstan;
- 4) investing own assets in securities and other financial instruments;
- 5) renting out own property.

The rights, preferences and restrictions attaching to each class of the existing Securities

The Issuer’s legal form is the Limited Liability Partnership and the Issuer currently does not have any equity securities issued. Participants of the Partnership are entitled to:

- take part in management of the Partnership’s affairs in accordance with the acting law, the constituent documents;
- derive incomes from activities of the Partnership;
- obtain information concerning activities of the Partnership (including accounting information);
- in case of liquidation of the Partnership, to receive value of a part of the property remaining after settlement of payments with creditors or a part of that property in kind;
- retire from the Partnership by alienating its interest according to the procedure provided by the Law and this Constitution;
- contest in a judicial procedure the resolutions of the Partnership’s bodies infringing their rights provided by the legislation and (or) the Constitution of the Partnership;
- The Partnership’s participants also shall have other rights provided by the constituent documents of the Partnership and the effective legislation of the Republic of Kazakhstan.

Participants of the Partnership are obliged to:

- meet the requirements of the Constitution;
- make contributions to the Authorized capital of the Partnership according to the acting law, the constituent documents;
- not disclose information declared by the Partnership a trade secret;
- notify in writing the executive body of the Partnership of changes in the list of participants of the Partnership stating their names, locations, addresses, bank details (if the founder is a legal entity) or name, place of residence and details of an identifying document (of the founder is an individual).

What action is necessary to change the rights of holders of the Securities, indicating where the conditions are more significant than is required by any law applicable to the Issuer

The Issuer does not have any equity securities issued.

The conditions governing the manner in which annual general meetings and extraordinary general meetings of holders of Securities are called including the conditions of admission to the meeting

- The supreme body of the Partnership shall be the General Meeting of its Participants, which shall meet not less than once a year. The regular and extraordinary meetings can be convened.
- A regular General Meeting shall be convened by the General Director at least within three months after the end of a financial year.
- The procedure for holding the General Meeting shall be regulated by the effective legislation.

Any provision of the constitution that would have an effect of delaying, deferring or preventing a change in control of the Issuer

The exclusive competence of the General Meeting of Participants of the Partnership shall include:

- matters concerning pledge of property of the Partnership, providing an interest as a contribution to the authorized stock of the other legal entities, transfer of assets to trust management.

Any provisions in the constitution, governing the ownership threshold above which shareholder ownership must be disclosed

There are no provisions in the Constitution, governing the ownership threshold above which shareholder ownership must be disclosed.

The conditions imposed by the constitution governing changes in the capital, where such conditions are more stringent than is required by law applicable to the Issuer

No conditions imposed by the Constitution governing changes in the capital are more stringent than is required by law applicable to the Issuer.

4. ASSETS

4.1. Material contracts

The Issuer doesn't have any material contracts other than contracts entered into in the ordinary course of business, to which the Issuer is a party, for the two years immediately preceding publication of the Registration Document.

5. CAPITAL

5.1. Authorized capital

The authorized capital of the Issuer is KZT1,100,000,000 (one billion one hundred million).

At the time of registration, the authorized capital of the Issuer was paid by the Participants in full.

A contribution to the authorized capital of the Issuer can be made by injections in form of money, securities, things, property rights, including the right to land use and the right to the results of intellectual activity and other property

6. MANAGEMENT OF THE ISSUER (SUPERVISORY BOARD AND EXECUTIVE BODY)

6.1. Details relating to directors and senior managers (“Key Persons”)

Name, business address	Functions and principal activities
Dulat T. Tastekeyev Almaty, Bostandykskiy district, Baisheshek street, 76	General Director, «MFO «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) LLP, for a group of companies. Supervises the appraisal and sale of foreclosed assets, controls the cash flow issues, in charge of budget approval for branches
Rakhmat T. Tastekeyev Almaty, Bostandykskiy district, Baisheshek street, 78	Managing partner in Finance
Ruslan Kim Almaty, Bostandyk district, Gagarin ave., House 190, apt. 28	Managing partner in IT, Investment and Contact Center activities.
Nurzhan Okimbayev Almaty, Auezov district, st. Toktabaev, house 9, apartment 79	Managing partner of Legal, IT and Physical Security processes.

Supervisory Board

Name, business address	Functions and principal activities
Aizhan S. Tastekeyeva, member of the Supervisory Board Almaty, Bostandykskiy district, Zharokova street, 124	Graduated from the KEU by Ryskulbekov, holds the bachelor's degree in accounting and audit; holds a master's degree from KazNU by Al-Farabi, philosophy and politics faculty. Started the career back in 2012 as an accountant at Lombard organization and afterwards held (until recently) CFO position in the Company
Ular Raimbek, member of the Supervisory Board Almaty, Bostandykskiy district, Zharokova street, 124	Graduated from Balkhash multi-profile college in Economics, Accounting and Audit; Kazakhs Russian University, holds a degree in Economic Science; Department. Started his career in finance as a credit analyst at Homecredit Bank JSC, then had a sale manager position at Lending department of Balkhash Branch of Kazkommertsbank, and consultant position at Eurasian Bank JSC. Started his career at TAS Credit back in 2015 as a Head of a branch in Astana and has been promoted to a Regional Director and then Executive Director of the TAS group of companies. Since February 2019 is a Commercial Director of TAS.
Aleksey Tunikov (an independent member of the Supervisory Board) Russian Federation, Moscow, 31 Plyuschikha, apt 3	A founder and manager of Group 38.RU in Moscow. Graduated from Moscow State Law Academy in Moscow, Russia. Holds a degree in civil and family law. Graduated from Moscow School of Management SKOLKOVO, (Chief Digital Transformation Officer). Started his career in 2005 as an assistant to advocate, then held legal positions in businesses. Started his career as a top manager at SpesTorg Ltd and Auto#38 in Moscow before became a general director in finance organizations including AutoLombard PlanB Ltd. in Moscow

Conflict of interest

To the best of the Issuer's knowledge there are no conflict of interests between the personal interests of any Key Person mentioned above and that of the duties such persons owed to the Issuer or interests of the Issuer.

6.2. Other information relating to key Persons

The Issuer doesn't have audit committee, nomination committee or remuneration committee, as the Issuer is not required to form committees in accordance with the legislation of the Republic of Kazakhstan governing the activities of legal entities operating in the form of limited liability partnerships.

At the same time, collegial body in the form of a Credit Committee consisting of 3 executives does operate for decision-making purposes:

- 1) Commercial director;
- 2) Head of the appraisal department;
- 3) One of the managing partners.

7. FINANCIAL INFORMATION ABOUT THE ISSUER AND GUARANTOR

7.1 Historical financial information about the Issuer

The tables below set out summary financial information of the Issuer as at and for the six months ended 30 June 2021, the years ended 31 December 2020 and 2019 prepared in accordance with IFRS. The summary financial information has been extracted from the financial statements of the Issuer without material adjustment. Rounding differences may occur.

The tables presented below as at and for should be read in conjunction with the 2019, 2020 Annual Financial Statements, which are appendixes to this document.

Statement of Profit and Loss and Other Comprehensive Income Information

<i>KZT'000</i>	For 6 months ended 30 June		For year ended 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (audited)
Interest income	4,109,557	1,003,835	3,851,130	1,542,022
Interest expenses	(522,222)	(190,518)	(480,664)	(110,030)
Net interest income	3,587,335	813,317	3,370,466	1,431,992
General and administrative expenses	(739,144)	(210,809)	(1,254,825)	(575,945)
(Loss)/reversal losses from impairment and write-offs of assets	4,820,605*	-	(394,936)	15,427
Other income and expenses	(426,739)	51,027	470,172	180,094
Net loss on foreign exchange transactions	-	(49,506)	(88,351)	-
Profit before tax	7,242,057	604,029	2,102,526	1,051,568
Income tax expense	(178,245)	(55,823)	(432,879)	(215,854)
Profit for the year	7,063,812	548,206	1,669,650	835,714
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	7,063,812	548,206	1,669,650	835,714

Note: *In this P&L item for 6 months ended 30 June 2021 4,678,735 thousand tenge is retained earnings of an affiliated company MFO “TAS CREDIT” LLP.

(2) Statement of Financial Position Information

<i>KZT'000</i>	As at 30 June		As at 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (audited)
ASSETS				
Non-current assets				
Property plant and equipment	138,348	106,091	89,916	81,186
Deferred tax assets	564	12,535	564	12,535
Intangible assets	280,706	103	280,706	28,844
Long-term loans to customers	1,810,623	-	1,214,228	-
	2,235,317	118,728	1,590,490	122,565
Current assets				
Cash	79,413	62,498	457,495	67,779

Loan issued	17,931,526	5,304,997	12,905,504	2,749,639
Other financial assets	16,426	799	927,057	1,860,504
Advances paid and other current assets	26,681	2,087	60,114	16,782
	18,054,046	5,370,380	14,350,170	4,694,704
TOTAL ASSETS	20,289,363	5,489,108	15,940,660	4,817,269
EQUITY AND LIABILITIES				
Equity				
Authorized capital	1,100,000	500,000	500,000	500,000
Retained earnings	9,940,331	1,755,078	2,876,520	1,206,873
	11,040,331	2,255,078	3,376,520	1,706,873
Non-current liabilities				
Financial liabilities	4,999,701	1,076,173	2,748,969	606,346
	4,999,701	1,076,173	2,748,969	606,346
Current liabilities				
Financial liabilities	4,027,349	1,031,705	9,331,464	1,952,199
Trade payables	-	889,220	17,178	262,959
Corporate income tax payable	124,924	194,477	226,523	245,322
Other liabilities	97,058	42,455	240,006	4,357
	4,249,331	2,157,857	9,815,171	2,504,050
TOTAL EQUITY AND LIABILITIES	20,289,363	5,489,108	15,940,660	4,817,269

(3) Statement of Change in Equity

	Authorized capital	Retained earnings	Total
At 31.12.2019	500,000	1,206,873	1,706,873
Comprehensive income for the year			
At 30.06.2020	500,000	1,755,078	2,255,078
Comprehensive income for the half a year			
At 31.12.2020	500,000	2,876,520	3,376,520
Comprehensive income for the year			
At 30.06.2021	1,100,000	9,940,331	11,040,331
Comprehensive income for the half a year			

(4) Cash Flow Statement

	For 6 months 30 June		For year ended 31 December	
	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (audited)
Operating activity	KZT'000			
Repayment of issued loans	22,309,083	7,805,503	30,137,182	10,765,378
Interest received	1,700,750	633,685	3,521,629	1,439,714
Proceeds for pawnshop services	-	-	37,809	158,669
Repayment of loans issued to related parties	-	-	6,371,350	694,486

Penalties received for late loan repayment	-	-	471,345	-
Other income	-	-	240,569	2,149,706
Issuance of loans to clients	(24,823,213)	(7,438,920)	(35,359,984)	(13,200,372)
Issuance of loans to related parties	-	-	(5,354,366)	(223,000)
Payments to suppliers for goods and services	(651,058)	(253,020)	(539,756)	(513,974)
Salaries Payments	(455,861)	(82,861)	(451,776)	(154,402)
Payments for other taxes	(398,361)	(124,433)	(37,845)	(28,472)
Other payments	-	-	(1,017)	(1,439,086)
<i>Cash from operating activities before income tax and interest paid</i>	(2,282,659)	539,956	(964,860)	(351,353)
Interest paid on loans	-	-	(267,895)	-
Interest paid on finance leases	-	-	(23,437)	-
Interest paid on the bonds	-	-	(187,356)	-
Corporate income tax	-	-	(451,638)	(81,405)
Net cash flows used from operating activities	(2,282,659)	539,956	(1,895,016)	(432,758)
Investing activities				
Purchase of property, plant and equipment	0		(22,014)	(74,331)
Reward received	1,425,819	2,073,052	-	-
Payment of remuneration	(3,500)	-	-	-
Provision of loans	(1,469,406)	(696,301)	-	-
Other payments	(120,350)	(59,418)	-	-
Net cash used investing activity	(167,437)	1,317,334	(22,014)	(74,331)
Financing activities				
Receipt of loans	4,922,851	3,114,783	3,605,753	10,701,307
Other income	509,748	580,995		
Repayment of borrowing	(3,345,440)	(5,560,509)	(2,761,920)	(10,349,283)
Proceeds from bond placement	-	-	1,521,000	-
Rental payment	-	-	(41,728)	
Other payments	(3,103)	-		
Net cash flows from financing activities	2,084,056	1,864,732	2,323,105	352,024
Effect of currency exchange rates against tenge	(1,671)	2,161	(15,896)	-
Net increase/(decrease) in cash	(378,082)	5,281	(390,179)	(155,065)
Cash and cash equivalents at the beginning of year	457,495	67,779	67,779	222,844
Change in the provision for expected credit losses	-	-	(463)	
Cash and cash equivalents the end of the year	79,413	62,498	457,495	67,779

The independent auditor of the Company “Crowe Audit Astana” LLP issued unqualified independent auditor’s reports in respect of the Company’s audited financial statements as at and for the year ended 2020, which include

comparative data as at and for the year ended 31 December 2019 and the Company’s audited financial statements as at and for the year ended 2019, which include comparative data as at and for the year ended 31 December 2018. Audited financial statements for years ending 31 December 2020, 31 December 2019, and unaudited financial statements for six months ended 30 June 2021 are included in the Prospectus.

Links for financial statements:

30 June 2021

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Disclosure+Document+Display+Form?documentid=de768c3d-c5a7-4499-a8f9-b0327d59552b>

31 December 2020

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Disclosure+Document+Display+Form?documentid=1feb81a-1e8e-47d2-b1b9-da6350a74595>

31 December 2019

<https://k4txdyb.onk2.com/Runtime/Runtime/Form/MRA.Disclosure+Document+Display+Form?documentid=19edd6e7-685b-4b75-9e7e-dfc7d91539d8>

7.2 Historical financial information about the GuarantorThe tables below set out summary financial information of the Guarantor as at and for the six months ended 30 June 2021 and 30 June 2020, the years ended 2020 and 2019 prepared in accordance with IFRS. The summary financial information has been extracted from the financial statements of the Issuer without material adjustment. Rounding differences may occur.

The tables presented below as at and for should be read in conjunction with the 2019, 2020 Annual Financial Statements, which are linked to Guarantor’s website (www. tasmicrofinance.kz). **Statement of Profit or Loss and Other Comprehensive Income Information**

	For 6 months ended 30		For year ended 31	
	June		December	
<i>KZT'000</i>	2021	2020	2020	2019
	(unaudited)	(unaudited)	(audited)	(unaudited)
Interest income	210,847	27,077	97,369	30,008
Interest expenses	(95,564)	(4,584)	(34,344)	(367)
Net interest income	115,823	22,493	63,025	29,721
General and administrative expenses	(27,481)	(9,234)	(32,703)	(14,551)
(Loss)/reversal losses from impairment and write-offs of assets	-	-	(6,774)	-
Other income and expenses	12,855	475	323	1,054
Profit before tax	100,657	13,734	26,808	16,224
Income tax expense	-	-	(5,443)	(3,995)
Profit for the year	100,657	13,734	21,365	12,229
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	100,657	13,734	21,365	12,229

(2) Statement of Financial Position Information

	As at 30 June		As at 31 December	
	2021	2020	2020	2019
<i>KZT'000</i>	(unaudited)	(unaudited)	(audited)	(unaudited)
ASSETS				
Non-current assets				

Property, plant and equipment	2,198	552	1,900	655
Long-term loans to customers	1,348,146	96,995	667,478	59,464
Deferred tax assets	200	34	200	34
	1,350,544	97,580	669,578	60,153
Current assets				
Cash and cash equivalents	34,886	31,326	26,054	11,117
Loan to customers and interest receivable	58,263	71,703	74,732	79,216
Inventories	30	6	30	6
Prepayments and other current assets	1,445	42	876	29
	94,623	103,076	101,692	90,368
TOTAL ASSETS	1,445,167	200,657	771,270	150,521
EQUITY AND LIABILITIES				
Equity				
Authorized capital	100,000	100,000	100,000	100,000
Retained earnings	138,111	29,823	37,454	16,089
	238,111	129,823	137,454	116,089
Non-current liabilities				
Financial liabilities	-	-	522,850	-
	-	-	522,850	-
Current liabilities				
Financial liabilities	1,076,500	49,092	100,384	29,867
Trade payables	128,395	6,004	4,491	1,279
Income tax payable	450	163	5,612	3,268
Other liabilities	1,712	15,575	479	18
	1,207,056	70,834	110,966	34,432
TOTAL LIABILITIES	1,207,056	70,834	633,816	34,432
TOTAL EQUITY AND LIABILITIES	1,445,167	200,657	771,270	150,521

(3) Statement of Change in Equity

	Authorized capital	Retained earnings	Total
At 31.12.2019			
Comprehensive income for the year	100,000	16,089	116,089
At 30.06.2020			
Comprehensive income for the half a year	100,000	29,823	129,823
At 31.12.2020			
Comprehensive income for the year	100,000	37,454	137,454
At 30.06.2021			
Comprehensive income for the half a year	100,000	138,111	238,111

(4) Cash Flow Statement

For 6 months ended 30 June

For year ended 31 December

	2021 (unaudited)	2020 (unaudited)	2020 (audited)	2019 (unaudited)
Operating activity		KZT'000		
Repayment of loans issued by clients	699,378	73,804	146,908	45,486
Interest received	493,839	-	92,916	27,103
Penalties received for late loan repayment	-	-	3,230	1,054
Issuance of loans to clients	(101,318)	(21,013)	(752,270)	(136,000)
Payments to suppliers for goods and services	(7,197)	(1,616)	(8,461)	(3,697)
Salaries Payments	(14,563)	(5,113)	(15,408)	(7,705)
Payments for other taxes	(12,791)	(6,092)	(6,764)	(2,178)
Payments for insurance	-	4,496	-	-
<i>Cash from operating activities before income tax and interest paid</i>	<i>1,057,348</i>	<i>44,467</i>	<i>(539,849)</i>	<i>(75,937)</i>
Interest paid on loans	-	-	(5,110)	-
Corporate income tax	-	-	(3,265)	(761)
Net cash flows used from operating activities	1,057,348	44,467	(548,224)	(76,698)
Investing activities				
Issuance of loans to other organizations	(1,048,550)	-	-	-
Purchase of property, plant and equipment	-	-	(1,539)	(215)
Net cash used investing activity	(1,048,550)	39,000	(1,539)	(215)
Financing activities				
Authorised capital payment	-	-	-	30,000
Obtaining loans from related parties	-	14,742	564,700	29,500
Net cash flows from financing activities	-	14,742	564,700	59,500
Net increase/(decrease) in cash	8,798	20,209	14,937	(17,413)
Cash and cash equivalents at the beginning of year	26,054	11,117	11,117	28,530
Cash and cash equivalents the end of the year	34,886	31,326	26,054	11,117

The independent auditor of the Guarantor “Crowe Audit Astana” LLP issued unqualified independent auditor’s reports in respect of the Company’s audited financial statements as at and for the year ended 31 December 2020, which include comparative data as at and for the year ended 31 December 2019. Audited financial statements for years ended 31 December 2020, and unaudited financial statements for the year ended 31 December 2019 and six months ended 30 June 2021 are included in the Prospectus.

Links for financial statements:

30 June 2021

<https://tasmicrofinance.kz/wp-content/uploads/2021/11/TMF-unaudited-report-2021-english-version.pdf>

31 December 2020

<https://tasmicrofinance.kz/wp-content/uploads/2021/11/TMF-audited-report-2020-english-version.pdf>

31 December 2019

<https://tasmicrofinance.kz/wp-content/uploads/2021/11/TMF-unaudited-report-2019-english-version.pdf>

8. OTHER INFORMATION RELATING TO THE ISSUER

8.1. Information about auditors

The 2019 Annual Financial Statements and the 2020 Annual Financial Statements have been audited in accordance with International Standards on Auditing by Crowe Audit Astana Limited Liability Partnership (“**Auditor**”), independent auditors, who have expressed an opinion on those financial statements, as stated in their reports appearing herein.

Provided 30 Jun 2021 financials were not required to be audited and YE2021 audited financial statements shall be provided to AIX in the year 2022.

The address of Auditor is Republic of Kazakhstan, Nur-Sultan, Almaty district, 28, flat 95. Auditor operates under a state license on auditing in the Republic of Kazakhstan.

Auditor is a member of the Chamber of Auditors of the Republic of Kazakhstan.

8.2. Connected Persons

If a Connected Person is a controller, information about that Person

Major ultimate beneficiary owners of the issuer are Dulat T. Tastekeyev (46.075 %) and Rakhat T. Tastekeyev (46.075%).

There are no arrangements known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

8.3. Legal and other proceedings against the Issuer

To the best of the Issuer’s knowledge there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened and of which the Issuer is aware) which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the Issuer’s financial position or profitability.

9. RESPONSIBILITY FOR THE CONTENT OF PROSPECTUS

9.1. Responsibility Statement

A Responsibility Statement is included in Schedule 1 to this Prospectus.

9.2. Third Party Information

Statistical data and other information appearing in this Prospectus relating to the Kazakhstan have, unless otherwise stated, been extracted from documents and other publications released by the Ministry of Finance of Kazakhstan, the National Bank of the Republic of Kazakhstan and other public sources in Kazakhstan, as well as from Kazakhstan press reports and publications, edicts and resolutions of the Government and estimates of the Issuer (based on its management’s knowledge and experience of the markets in which the Issuer operates). In the

case of the presented statistical information, similar statistics may be obtainable from other sources, although the underlying assumptions and methodology, and consequently the resulting data, may vary from source to source. Any discussion of matters relating to Kazakhstan in this Prospectus is, therefore, subject to uncertainty due to concerns about the completeness or reliability of available official and public information.

The Issuer confirms that, where information included in the Prospectus has been sourced from a third party, the source is identified, that information has been accurately reproduced and that, as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

9.3. Signing of the prospectus by directors of the Issuer

The Prospectus was signed by Dulat T. Tastekeyev, the General Director of the Issuer on December 9, 2021.

9.4. Expert opinions included in a prospectus

There are no expert opinions included in this Prospectus.

10. DOCUMENTS ON DISPLAY

Copies of the following documents:

- this Prospectus and any supplements thereto;
- the Charter;
- financial statements and independent Auditor’s reports for the years ended 31 December 2019, 31 December 2020, Unaudited Interim Financial statements as at 30 June 2021.

may be inspected at, and are available from, the office of the Issuer at Republic of Kazakhstan, Almaty, Bostandykskiy district, Zharokova street, building 124, code 050060, phone: +7 (727) 339-05-05, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted), to the full performance of the Issuer Liabilities to the Bondholders.

Bondholders, representatives of AIX and AIFC authorized bodies can carry out this inspection by visiting the Issuer’s office at the above address, notifying the Issuer of such visit 24 hours in advance (non-business days are not included at this time) or by e-mail to ruslan@tascredit.kz.

SECURITIES NOTE

1. KEY INFORMATION

1.1. Risk factors

(1) Delisting of the Bonds from the Official List may subject gains and coupon payments on the Bonds to be taxable in the Republic of Kazakhstan.

In order for coupon payments due on the Bonds and gains realized by the Bondholders in relation to disposal, sale, exchange or transfer of the Bonds to be exempt from Kazakhstan withholding tax, it will be necessary for the Bonds to be admitted to the Official List of AIX as at the Coupon Payment Date or the date of such disposal, sale, exchange or transfer of the Bonds. No assurance can be given that the Bonds will remain admitted to the Official List of AIX as at each Coupon Payment Date or during the term of the Bonds, or that there will be no material change in tax and securities laws in Kazakhstan.

The Issuer believes that coupon payments on the Bonds will be exempt from withholding and income taxes due to the favorable treatment available for securities admitted to the Official List of AIX under the Constitutional Law on “Astana International Financial Center” in effect as of the date of this Prospectus. However, practice is not yet fully developed.

(2) The market price of the Bonds may be volatile

The market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer’s operating results and those of the Issuer’s competitors, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of the Bonds, as well as other factors.

The only significant factor assumed by the Issuer that could cause sharp fluctuations in the price of the Bonds is a decrease in the Issuer’s solvency. Such a decrease may be caused by deterioration in the quality of the Issuer’s loan portfolio. However, taking into account the approach to lending (availability of collateral), the Issuer does not imply a deterioration in its loan portfolio, which may cause sharp changes in the price of the Bonds

In addition, the Issuer shall carry out repurchase/ redemption of the Bonds at face value in order to reduce the negative consequences for the Bondholders in case of the above factors in accordance with the clause 3.8. of Securities Note section.

(3) Modification and waivers

The terms and conditions of the offer (see “Securities Note – 3. Terms and conditions of the offer”), contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority (in the cases specified in this Prospectus, Extraordinary Resolution is required).

The above risk factors relate to the Bonds and will primarily affect the Bondholders in the event that they sell the Bonds. The impact on the Issuer’s business may be expressed in the reduction of investor confidence in the Issuer and have a negative impact on subsequent issues of the Issuer’s securities, if the Issuer decides to implement such issues.

In order to prevent possible damage to the Bondholders this Prospectus provides that a decision on significant issues on the Bonds will be made on the basis of an Extraordinary decision of the General Meeting of Bondholders, which provides that the decision on these issues will not be made by a simple majority, but by a qualified.

(5) Risk of Default of the Guarantor

By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on a quarterly basis and to redeem the principal on the Maturity Date. In case of the Issuer's bankruptcy or default, the investors may redeem the full amount of their investments, which comprises of (a) the principal debt on the Bonds on their redemption, (b) the coupon payment in the terms stipulated by this Prospectus, (c) penalties accrued in favour of the Bondholders in accordance with the terms of this Prospectus and payable in connection with the late performance of the Issuer's liabilities on payment of the principal debt on the Bonds on their redemption and/ or coupon payment and (d) reimbursement of legal costs for debt collection, other losses of Bondholders caused by non-performance and (or) improper performance by the Issuer of obligations under the Prospectus (the "**Guaranteed Obligations**", see Schedule 3) from the Guarantor. The Guarantee is valid until the debt to the Bondholders under fully paid Guaranteed Obligations.

However, in case of the Guarantor's bankruptcy or default, investors may not recover the amounts they are entitled to and risk losing all or part of their investment.

1.2. Reasons for the offer

The issuance is being made, and the net proceeds of the issue of the Bonds will be used by the Issuer for the financing of the Company's core lending activity and the refinancing of existing indebtedness. The proceeds from the placement of the Bonds are being used by the Issuer to finance the core business of the Issuer, i.e. issuance of microloans to clients.

Estimated net amount of proceeds: as specified in the Final Terms.

The Issuer estimates that the anticipated proceeds will be sufficient to fund all the proposed uses.

1.3. Creditworthiness of the Issuer

Debt service coverage ratio

The debt service coverage ratio provided to demonstrate how well the Issuer is able to pay its entire debt service. Debt service includes all principal and interest payments due to be made. The ratio is defined as net operating income divided to total debt service. In general, taking into account the nature of business of the Issuer the ratio of close to one (1) or above is indicative that a company generates sufficient earnings to completely cover its debt obligations.

As at the YE 2020 and YE 2019 the debt service coverage ratio (earnings coverage ratio) amounted to 0.3 and 0.6 respectively.

Criterion	June 30, 2021	31 December 2020	31 December 2019
Loan portfolio	17,825,464,516	14,237,383,216	2,713,727,000
Collateral value	42,861,937,833	28,474,766,432	5,427,454,000

Criterion	June 30, 2021	Normative	Note
minimum authorized capital, KZT'000	1 100 000	30,000	Compliant
minimum owner's capital, KZT'000	11,040,331	30,000	Compliant
capital adequacy k1	0.544	>0.1	Compliant

maximum risk per borrower k2	0.014	<0.25	Compliant
leverage coefficient k3	0.838	<10	Compliant

Leverage indicators

	June 30, 2021, KZT'000
Liabilities	9,249,032
Own capital	11,040,331
Leverage	0,8377

Relevant credit ratings

The Issuer and the Bonds do not have credit ratings.

Risk factors that may affect the Issuer's ability to fulfil its obligations under the Securities to investors

All relevant risk factors are described in the "Risk factors" section of the Registration Document.

Guarantee

The Guarantor assumes full joint and several liability to each/ any Bondholder in case of failure to fulfill and/ or improper performance by the Issuer of its obligations for any Tranche of the Bonds under the Programme. The Guarantee ensures the liabilities for any Tranche of the Bonds under the Programme, as follows: 1) payment in full of the principal debt on the Bonds on their redemption or repurchase (within the limits of the nominal value of each Bond) and the coupon payment in the terms stipulated by this Prospectus and the relevant Final Terms; 2) Penalties accrued in favour of the Bondholders in accordance with the terms of this Prospectus and the relevant Final Terms and payable in connection with the late performance of the Issuer's liabilities on payment of the principal debt on the Bonds on their redemption and/ or coupon payment; 3) reimbursement of legal costs for debt collection, other losses of Bondholders caused by non-performance and (or) improper performance by the Issuer of obligations under the Prospectus and the relevant Final Terms (the "**Guaranteed Obligations**"). The Guarantee is valid until the debt to the Bondholders is fully paid by the Guaranteed Obligations. The Guarantee is given in Schedule 3 to this Prospectus.

If any one or more of events of default described in section 3.6. Events of Default shall occur and the Issuer is not able fulfill it's obligations, the Bondholder may give a written notice to the Guarantor at its registered office and the Guarantor shall pay all sums demanded under the Guarantee from the date of non-fulfillment or improper fulfillment of obligations by the Issuer.

INFORMATION RELATING TO THE BONDS OFFERED/ ADMITTED TO TRADING

2.1. General information relating to Bonds

The Bonds and any non-contractual obligations arising out of, or in connection with, the Bonds shall be governed by, and construed in accordance with, the Acting law of the AIFC. The Issuer has agreed herein the conditions in favor of the Bondholders that any claim, dispute or discrepancy of any nature arising out of, or in connection with, the Bonds (including claims, disputes or discrepancies regarding the existence, termination thereof, or any non-contractual obligations arising out of, or in connection with, the Bonds) shall be brought to, and finally resolved by, the Court of the AIFC in accordance with the rules thereof, or the International Arbitration Center of the AIFC in accordance with the rules thereof, currently in effect, such rules shall be deemed incorporated herein.

Type of the Bonds:..... Guaranteed coupon bonds.

Registrar:..... Astana International Exchange Registrar Limited (AIX Registrar), a company incorporated in AIFC under company identification number 180840900010 with its registered office at Mangilik El Avenue, building 15, Nur-Sultan, Kazakhstan.

Form of the Bonds: The Bonds are issued in fully registered and dematerialized form under the Acting law of AIFC.

Currency: Kazakhstan Tenge.

Issue price: The exact Issue Price shall be at 100% to a face value and determined in accordance with the relevant Final Terms of each Tranche. The number and size of Tranches will depend on future needs in financing based on the market conditions. Each Final Terms will be submitted to the AIX as a supplement document to this Prospectus.

Number of the Bonds and the face value

of the Bond: 40,000 Bonds with face value 500,000 tenge

Aggregate principal amount of the

Programme: KZT 20 000 000 000 (twenty billion).

Programme validity

period: **31 December 2026**

Issue date: Issue Date of each Tranche shall be specified in the relevant Final Terms.

Maturity date: To be determined in Final Terms of each Tranche, but the Maturity Date cannot be later than expiration of the Programme validity period.

Coupon Rate: To be determined in Final Terms of each Tranche.

Bonds circulation term: . To be determined in Final Terms of each Tranche.

Day count fraction: 30/360; Coupon payments on the Bonds shall be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each.

Rights granted

to the Bondholder: 1) the right to receive a face value upon redemption of the Bonds in the manner and terms provided for by Prospectus;

2) the right to receive a fixed interest on the Bonds from their face value in the time and amount stipulated by Prospectus;

3) the right to receive information about the Issuer's activities and its financial condition in accordance with and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;

4) the right to satisfy their claims in respect of the Bonds in cases and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan;

5) the right to declare all or part of the Bonds for repurchase in cases established by Prospectus;

6) the right to freely sell and otherwise dispose of the Bonds;

7) the right to demand redemption of the Bonds by the Issuer in cases provided for by Prospectus;

9) other rights arising from the ownership of the Bonds in cases and in the manner prescribed by AIFC and AIX Rules and legislation of the Republic of Kazakhstan.

Ranking: The Bonds shall constitute direct, general and unconditional obligations of the Issuer which will rank pari passu among themselves and rank pari passu, in terms of payment rights, with all other current or future unsubordinated unsecured obligations of the Issuer, except for liabilities mandatorily preferred by law.

The maturity date

and arrangements: To be determined in Final Terms of each Tranche.

Payments on the repayment of the principal debt on the Bonds are made simultaneously with the coupon payment on the last coupon period.

Repayment of the principal debt will be carried out by transferring money to the bank accounts of the Bondholders, who have the right to receive the specified payment and have been registered as the Bondholders by AIX Registrar as at 23:59:59 (according to the time of Nur-Sultan) on the Record Date.

Restrictions on the free

transferability: The Bonds are freely transferable.

Depository:..... Astana International Exchange Central Securities Depository Limited (AIX CSD).

Miscellaneous: For purposes of any calculation specified herein, a value shall be accurate to two decimal places.

3. TERMS AND CONDITIONS OF THE OFFER

3.1. Terms and conditions of the offer

The number of

the Bonds offered:..... 40 000 Bonds

Categories of

potential investors:..... The Bonds will be publicly offered in the territory of Kazakhstan from the AIFC to a wide range of investors (subject to applicable laws and regulations)

Conflict of interests: No person involved in the offering has any interest in the offering, which is material to the offering

The offer period

opening and closing date: The offer period including opening and closing dates and the date of allotment of the Bonds shall be specified in the relevant Final Terms of each Tranche

Offering method: Public offering. Offering of the Bonds will be made through subscription using the book-building platform of the trading system of the AIX in accordance with the AIX Business Rules and relevant AIX market notices.

The Allotment Date: Shall be specified in the relevant Final Terms of each Tranche

Guarantor:..... MFO TAS MICROFINANCE LLP has unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Bonds. The obligations of MFO TAS MICROFINANCE LLP constitute direct, general, unconditional and unsecured obligations which rank and will rank at least pari passu in right of payment with all other present and future unsecured and unsubordinated obligations of MFO TAS MICROFINANCE LLP, save only for such obligations as may be preferred by mandatory provisions of applicable law.

Notification process

for investors:..... Prior to the start of the offering process the Issuer will communicate the information relating to an offering by means of Final Terms related to each particular Tranche. The Final Terms will be published by the Issuer via Regulatory Announcement System on the AIX website and on the Issuer's website (www.tascredit.kz). Prior to the start of the book-building process the AIX will issue a Market Notice specifying, among other things, the book-building and settlement procedures in connection with the offering through AIX, the coupon range determined by the Issuer and the related responsibilities of the AIX Trading Members. Dealings in the Bonds shall not commence prior to admission to trading of the Bonds by the AIX.

Selling restrictions:.....The offering and sale of the Bonds is subject to applicable laws and regulations, including the AIFC Market Rules and AIX Markets Listing Rules. The Bonds may not be sold in other jurisdictions, including without limitation the United States, the United Kingdom and the European Economic Area. The Bonds have not and will not be registered under the U.S. Securities Act of 1933 or the securities laws of any state of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons.

Clearing and settlement: The payment and settlement will be made through the settlement system of the AIX CSD in accordance with the rules and regulations of the AIX CSD (the "AIX CSD Rules"), in particular delivery of the Bonds through the system of the AIX CSD.

In order to participate in the offering of the Bonds, take delivery of the Bonds and trade the Bonds on the AIX, investors are required to have an account with a brokerage company admitted as an AIX Trading Member who must be a participant of AIX CSD. The Bonds are held on behalf of investors in the relevant AIX Trading Member's custodial account at AIX CSD.

Lead Manager and

Bookrunner: JSC Halyk Finance.

Placement agent: The placement agent is not provided.

Paying agent: Bonds paying agent is not provided.

Depository:..... Astana International Exchange Central Securities Depository Limited (AIX CSD).

Guarantee:.....The Guarantee ensures the liabilities for any Tranche of the Bonds under the Programme.

3.2. Procedure and conditions for payment of interest on the Bonds

Coupon interest payments on the Bonds shall be paid to the Person shown on the register that the Issuer shall procure to be kept by AIX Registrar in accordance with AIX Registrar's regulations at 23:59:59 on the day preceding each coupon payment date (the "Record Date").

The coupon payment will be made within 15 (fifteen) Calendar Days following a date specified in the relevant Final Terms of each Tranche.

The amount of the interest payable to each Bondholder at the payment date is calculated as the multiplication of the face value of the placed Bonds owned by the respective Bondholder and the Coupon Rate, which is paid 4 (four) times per each year every 3 (three) months from the Issue date until the expiry of the period of the Bonds circulation. The last payment of the coupon interest is carried out simultaneously with the principal amount of the Bonds.

3.3. Terms and conditions of redemption of the Bonds:

The Bonds will be redeemed as specified in the relevant Final Terms of each Tranche.

Payments on the repayment of the principal debt on the Bonds are made simultaneously with the coupon payment on the last coupon period.

Repayment of the principal debt will be carried out by transferring money to the bank accounts of the Bondholders, who have the right to receive the specified payment and have been registered as the Bondholders by the AIX Registrar at 23:59:59 on the Record Date.

3.4. Penalty

The Issuer shall pay a penalty to the Bondholders for each day, on which any amount payable under the Bonds remains due and unpaid (the “**Unpaid Amount**”), at the rate equal to the Coupon Rate. The amount of penalty payable per any Unpaid Amount in respect of any Bonds shall be equal to the product of the Coupon Rate, the Unpaid Amount and the number of calendar days on which any such Unpaid Amount remains due and unpaid divided by 360, rounding the resultant figure to the nearest cent, half of any such cent being rounded upwards.

3.5 Covenants

So long as any Bonds are outstanding:

3.5.1 Limitation on Certain Transactions

The Issuer and the Guarantor shall not, directly or indirectly, enter into or suffer to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets, property or services) involving aggregate consideration equal to or greater than 10% (ten per cent) of the Issuer’s equity capital in any one calendar year (including all trades for the last 12 months) unless such transaction or series of transactions is, or are, at a Fair Market Value.

3.5.2 No change to the constitutional documents and business of the Issuer.

The Issuer shall procure that no substantial change is made to the general nature of its business from that carried on at the date of this Prospectus.

3.5.3 Mergers

The Issuer and the Guarantor shall not enter into any reorganization (by way of a merger, accession, division, separation, or other bases or procedures for reorganization contemplated or as may be contemplated from time to time by the legislation of the Republic of Kazakhstan, as these terms are construed by the applicable legislation of the Republic of Kazakhstan).

3.5.4 Compliance with prudential standards

The Issuer shall comply with prudential standards and other mandatory norms and limits, which are applicable to the Issuer pursuant to the Law on Microfinance Activities.

3.5.5 Limitation on Payment of Dividends

The Issuer shall not and procure that the Guarantor shall not pay any dividends, in cash or otherwise in any fiscal year in an aggregate amount exceeding 40% (forty per cent) of the Issuer’s or the Guarantor’s, as applicable, combined net profit for the year. Combined net profit of the Issuer and the Guarantor must be confirmed by an independent auditing company, as specified in sub-clause (1) of clause 3.5.9.

3.5.6 No change to the terms and conditions of the Bonds

The Issuer shall not amend, modify, supersede or change terms and conditions of the Bonds, unless when it is permitted by applicable laws and agreed upon in writing with the Bondholders in accordance with section 3.7 below (“Meetings of Bondholders”).

3.5.7 Maintenance of Business.

The Issuer shall maintain in effect its license and its corporate existence and take any action to maintain any material rights, titles to property, except where any failure to do so would not result in a Material Adverse Effect.

3.5.8 Maintenance of Listing

The Issuer shall maintain the listing of the Bonds in the AIX Official List.

3.5.9 Financial Covenants:

(1) The Issuer shall ensure that the standalone and combined Annual Financial Statements of the Issuer and the Guarantor are audited in accordance with IFRS by current Auditor (Crowe Audit KZ Limited Liability Partnership and Crowe Audit Astana LLP) or by one of the following auditors: PricewaterhouseCoopers, Deloitte, KPMG, Ernst & Young, Baker Tilly Eltal Kazakhstan LLP, Grant Thornton LLP.

The combined Annual Financial Statements of the Issuer and the Guarantor start from the year 2021 on. Combined audited Annual Financial statements and Quarterly Financial statements must include detailed breakdown of interactions among the Issuer, the Guarantor and the Affiliated Persons (Balance Sheet and Profit and Loss statement items such as sales, payments for goods and services, loans and interest, accounts payable/receivable, financial and non-financial assistance, contingent liabilities, etc.).

(2) the Issuer shall not, and procure that the Guarantor shall not give any guarantee of, or indemnity in the aggregate amount exceeding 5% (five per cent) of the equity capital of the Issuer or the Guarantor, as applicable.

(3) The Issuer shall ensure that the share of unsecured loans of the combined loan portfolios of the Issuer and the Guarantor should not exceed 10% (ten per cent) of the total loan portfolio (including Guarantors' loan portfolios). The total loans by the Issuer and the Guarantor must exclude any intragroup loans.

(4) The Issuer shall ensure that outstanding principal amount of non-performing loans (loans issued by the Issuer and the Guarantor with days past due above 90 (ninety) days) for two consecutive quarters shall be less than 7.5% (seven and a half per cent) of the outstanding principal amount of all loans by the Issuer and the Guarantor.

The total loans by the Issuer and the Guarantor must exclude any Intragroup Loans. Outstanding principal amount of defaulted loans and outstanding principal amount of all issued loans are valued according to the requirements of NBK. If the requirements of NBK are inapplicable, the Issuer should use the requirements of IFRS.

(5) The Issuer shall ensure that outstanding principal amount of total non-performing loans (loans issued by the Issuer and the Guarantor with days past due above any days) shall be less than 15% (fifteen per cent) of the outstanding principal amount of all loans issued by the Issuer and the Guarantor.

The total loans by the Issuer and the Guarantor must exclude any Intragroup Loans. Outstanding principal amount of non-performing loans and outstanding principal amount of all issued loans are valued according to the requirements of NBK. If the requirements of NBK are inapplicable, the Issuer should use the requirements of IFRS.

(6) The Issuer shall ensure that the ratio of the amount equal to the sum of Issuer's total liability and Guarantor's total liability to the amount equal to the sum of Issuer's total equity and Guarantor's total equity shall not exceed 3 (three). The Issuer's and Guarantor's total liabilities and total equities are valued according to the requirements of IFRS.

(7) The Issuer shall not, and procure that the Guarantor shall not permit to give charitable and non-charitable assistance exceeding 10% (ten per cent) of the net profit of the Issuer and the Guarantor, at the end of each calendar year. Combined net profit of the Issuer and the Guarantor must be confirmed by an independent auditing company, as specified in sub-clause (1) of clause 3.5.9.

(8) The Issuer shall not, and procure that the Guarantor shall not repay debt to Affiliated persons and the amount of the Issuer's and the Guarantor's, debt to Affiliated persons should not decrease below KZT500 000 000 (five hundred million) (or its equivalent in other currencies).

(9) The Issuer shall ensure that the total amount of accounts receivable and indebtedness of Affiliated persons (excluding the Guarantor's indebtedness to the Issuer) to the Issuer and the Guarantor shall not exceed 10% (ten per cent) of the aggregate the Issuer's and Guarantor's equity capital. The Issuer and the Guarantor shall publish the list of the Affiliated persons as at the end of each of its financial quarters on the website of the AIX.

3.5.10 Provision of information

The Issuer shall report on fulfillment of the covenants and other obligations with detailed calculations and the necessary transcripts within 25 (twenty five) calendar days after the end of each of its financial quarters by way of publishing such information on the Issuer's website and on the website of the AIX.

3.5.11 Guarantee

The Issuer shall procure that the Guarantee is not cancelled or modified in any material respect without approval by the Extraordinary Resolution. For the avoidance of doubt, the parties to the Guarantee may agree, without approval by the Extraordinary Resolution, to any modification of any provision of the Guarantee which is of a formal, minor or technical nature or is made to correct a manifest error.

3.5.12 Change in Ownership of Participating Interests

For the avoidance of doubt, nothing in this Prospectus prohibits, limits or restricts the Change in Ownership of Participating Interests.

3.6. Events of Default

If any one or more of the below events (each an "Event of Default") shall occur, the Bondholder may give within the period of time not less than 15 days and not more than 30 days written notice to the Issuer at its registered office that such Bonds are immediately repurchased, at its principal amount together with accrued interest (if any) to the date of payment.

- (a) **Nonpayment:** the Issuer fails to pay the principal debt of any of the Bonds when the same becomes due and payable either at maturity, by declaration or otherwise or the Issuer is in default with respect to the coupon payment or additional amounts on any of the Bonds and such default in respect of interest or additional amounts continues for a period of five calendar days.
- (b) **Breach of other obligations:** the Issuer defaults in the performance or observance of, or compliance with, any of its other obligations or undertakings in respect of any of the Bonds and either such default is not capable of remedy or such default (if capable of remedy) is not remedied within 30 calendar days (and in the case of the covenants specified in sub-paragraphs (4) and (5) of paragraph 3.5.9 (Financial Covenants) – 6 months) after written notice of such default shall have been given to the Issuer by any Bondholder;
- (c) **Cross default:**
 - (i) any combined indebtedness for Borrowed Money of the Issuer and the Guarantor (a) becomes due and payable prior to the due date for payment thereof by reason of default by the Issuer or (b) is not repaid at maturity as extended by the period of grace, exceeding an aggregate amount of KZT200,000,000 (or its equivalent in other currencies).
- (d) **Bankruptcy:**
 - (i) any Person shall have instituted a proceeding or entered a decree or order for the appointment of a receiver, administrator or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, moratorium of payments or similar arrangements involving the Issuer or all or substantially all of its respective properties and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 45 days; or
 - (ii) the Issuer shall institute proceedings under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect to be adjudicated a bankrupt or shall consent to the filing of a

bankruptcy, insolvency or similar proceeding against it or shall file a petition or answer or consent seeking reorganization under any such law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver, administrator or liquidator or trustee or assignee in bankruptcy or liquidation of the Issuer, as the case may be, or in respect of its property, or shall make an assignment for the benefit of its creditors or shall otherwise be unable or admit its inability to pay its debts generally as they become due.

- (e) **Material compliance with applicable laws:** the Issuer fails to comply in any respect with any applicable laws or regulations (including any foreign exchange rules or regulations) of any governmental or other regulatory authority for any purpose to enable the Issuer lawfully to exercise its rights or perform or comply with its obligations under the Bonds or to ensure that those obligations are legally binding and enforceable or to ensure that all necessary agreements or other documents are entered into and that all necessary consents and approvals of, and registrations and filings with, any such authority in connection therewith are obtained and maintained in full force
- (f) **Invalidity or Unenforceability:**
 - (i) the validity of the Bonds is contested by the Issuer or the Issuer shall deny any of its obligations under the Bonds (whether by a general suspension of payments or a moratorium on the payment of debt or otherwise) or
 - (ii) it is or becomes unlawful for the Issuer to perform or comply with all or any of its obligations set out in the Bonds or
 - (iii) all or any of the Issuer's obligations set out in the Bonds, shall be or become unenforceable or invalid
- (g) **Government Intervention:**
 - (i) all or any substantial part of the undertaking, assets and revenue of the Issuer is condemned, seized or otherwise appropriated by any Person acting under the authority of any national, regional or local government or
 - (ii) the Issuer is prevented by any such Person from exercising normal control over all or any substantial part of its undertaking, assets, revenue.

3.7. Meetings of Bondholders

The Issuer may from time to time call meetings of Bondholders for the purpose of consultation with Bondholders or for the purpose of obtaining the consent of Bondholders on matters which in terms of this Prospectus require the approval of a Bondholders' meeting.

A meeting of the Bondholders shall be called by the General Director by giving all Bondholders listed on the register of the Bondholders and the Representative of the Bondholders as at a date being not more than 30 days preceding the date scheduled for the meeting, not less than 14 days' notice in writing. Such notice shall set out the time, place and date set for the meeting and the matters to be discussed or decided thereat, including, if applicable, sufficient information on any amendment of the terms of the Bonds that is proposed to be voted upon at the meeting and seeking the approval of the Bondholders. Following a meeting of the Bondholders held in accordance with the provisions contained hereunder, the Issuer shall, acting in accordance with the resolution(s) taken at the meeting, communicate to the Bondholders whether the necessary consent to the proposal made by the Issuer has been granted or withheld. Subject to having obtained the necessary approval by the Bondholders in accordance with the provisions of this section at a meeting called for that purpose as aforesaid, any such decision shall subsequently be given effect to by the Issuer.

The amendment or waiver of any of the provisions of and/ or conditions contained in this Securities Note, or in any other part of the Prospectus related to the terms of the Bonds, may only be made with the approval of the Issuer and of the Bondholders at a meeting called and held for that purpose in accordance with the terms hereof.

A meeting of the Bondholders shall only validly and properly proceed to business if there is a quorum present at the commencement of the meeting. For this purpose, at least two Bondholders present, in person or by proxy, representing not less than 50% of the principal debt on the Bonds then outstanding, shall constitute a quorum. If a quorum is not present within 30 minutes from the time scheduled for the commencement of the meeting as indicated on the notice convening same, the meeting shall stand adjourned to a place, date and time as shall be communicated by the General Director to the Bondholders present at that meeting. The Issuer shall within 2 days from the date of the original meeting publish by way of a company announcement the date, time and place where the adjourned meeting is to be held. An adjourned meeting shall be held not earlier than 7 days, and not later than 15 days, following the original meeting. At an adjourned meeting: the number of the Bondholders present, in person or by proxy, shall constitute a quorum; and only the matters specified in the notice calling the original meeting shall be placed on the agenda of, and shall be discussed at, the adjourned meeting.

Once a quorum is declared present by the chairman of the meeting, the meeting may then proceed to business and address the matters set out in the notice convening the meeting. In the event of decisions being required at the meeting the directors or their representative shall present to the Bondholders the reasons why it is deemed necessary or desirable and appropriate that a particular decision is taken. The meeting shall allow reasonable and adequate time to Bondholders to present their views to the Issuer and the other Bondholders present at the meeting. The meeting shall then put the matter as proposed by the Issuer to a vote of the Bondholders present at the time at which the vote is being taken, and any Bondholders taken into account for the purpose of constituting a quorum who are no longer present for the taking of the vote shall not be taken into account for the purpose of such vote.

The voting process shall be managed by the Company's representative.

The proposal placed before a meeting of Bondholders shall only be considered approved if the Bondholders in person or by proxy, representing at least 75% of the principal debt on the Bonds then outstanding, present at the meeting at the time when the vote is being taken and shall have voted in favor of the proposal.

If the proposal placed before a meeting of Bondholders relate to any of the items indicated below, in this case an Extraordinary Resolution is required:

- (i) interest rate, methods of payment on the Bonds;
- (ii) the conditions and procedure redemption, repurchasing of the Bonds;
- (iii) Events of Default, covenants;
- (iv) the security;
- (v) use of proceeds;
- (vi) rights of the Bondholders.

Save for the above, the rules generally applicable to proceedings at General Meetings of Participants of the Issuer shall apply to meetings of Bondholders.

3.8. Notices

To the Bondholders

All notices to the Bondholders shall be deemed to have been duly given if, so long as the Bonds are in the Official List and so long as the rules of the AIX so require, by publication (i) via Regulatory Announcement System on the website of the AIX at www.aix.kz or (ii) otherwise in accordance with the regulations of the AIX. If the Bonds are excluded from the Official List, any notice shall be sent to the Bondholders by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the register, and any such notice shall be deemed to have been given on the fourth day after the date of mailing.

To the Issuer

Notices to the Issuer will be deemed to be validly given if delivered to the Issuer at Kazakhstan, Almaty city, Bostandykskiy district, Zharokova street, building 124, 8 floor, zip code 050057 and will be deemed to have been validly given when delivered.

3.9. Terms and conditions of the Bonds repurchase

(1) repurchase of the Bonds at the option of the Issuer

The Issuer is obliged to announce the repurchase of Bonds in the organized or unorganized markets within the time.

Bonds repurchase price determined by the Issuer:

- the implementation of foreclosures on the organized securities market - at a price, established as a result of trading on the AIX on the date of repurchase;
- upon repurchase in an unorganized market - at a price agreed by the Issuer and the Bonds holder planning to sell the Bonds owned by him upon repurchasing by the Issuer.

The Issuer is obliged to inform the Bondholders about the repurchase by posting the appropriate information message on the official AIX Internet resource. Published information should contain the following information:

- the number of repurchasing Bonds;
- the date of repurchase of the Bonds;
- method of repurchasing of the Bonds including market (organized or unorganized);
- method of submitting applications by the Bondholders who wish to sell their Bonds to the Issuer.

Repurchase of the placed Bonds by the Issuer is carried out on the day determined in the Issuer's announcement.

Bonds repurchase in organized and/ or unorganized markets will not be deemed redeemed and the Issuer is entitled to sell back its repurchased Bonds in organized and unorganized securities markets during the entire term of their circulation.

For the avoidance of doubt, the Bondholders are not obliged to sell the bonds to the Issuer.

(2) redemption of the Bonds in case of the Event of Default

The Issuer, within 3 (three) Business Days following the day of any of the Events of Default, is obliged to inform the Bondholders about this Event of Default with a detailed description of the reasons for the announcement of the Event of Default. Bringing this information to the notice of the Bondholders is carried out by posting the corresponding information message on the official AIX Internet resource.

The Bondholders have the right to submit to the Issuer, and the Issuer is obliged to accept written claims for the redemption of their Bonds indicating the number of Bonds declared for redemption within 15 (fifteen) calendar days following the first publication of information about the violation by the Issuer of any of the covenants.

The Issuer must take necessary actions to execute received claims within 30 (thirty) calendar days following the last day of the period of acceptance of the written redemption claims in the event that at least one written claim for the redemption of the Bonds is received.

The Issuer is obliged at the request of the Bondholders to redeem the Bonds at the highest of the following prices:

- the price corresponding to the face value of the Bonds, taking into account the accumulated interest;
- fair market price of the Bonds.

Bondholders who have not submitted a claim for redemption are entitled to redeem their Bonds at the end of their circulation period specified in this Prospectus.

3.10. Taxation

The following is a general description of certain material tax considerations relating to the Bonds. This summary is based upon the laws, regulations, decrees, rulings, income tax conventions (treaties), published administrative practice and judicial decisions in effect at the date hereof. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set out herein. Any such changes or interpretations may be retroactive and could affect the tax consequences of ownership of the Bonds by Bondholders. This summary does not purport to be a legal opinion or contain a complete analysis of all tax considerations relating to the Bonds. Prospective investors in the Bonds should consult their tax advisers as to which countries' tax laws could be relevant to their acquiring, holding and disposing of the Bonds and receiving payments of interest, principal and/ or other amounts under the Bonds and the consequences of such actions under the tax laws of those countries.

The information and analysis contained within this section are limited to taxation issues, and prospective investors should not apply any information or analysis set out below to other areas, including (but not limited to) the legality of transactions involving the Bonds.

Also, prospective investors should note that an appointment by an investor in the Bonds, or any Person (as defined in the Conditions) through which an investor holds Bonds, of a custodian, collection agent or similar person in relation to such Bonds in any jurisdiction may have tax implications. Prospective investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment.

Republic of Kazakhstan Taxation

The following is a general summary of Kazakhstan tax consequences as at the date hereof in relation to payments of interest made under the Bonds and in relation to the sale or transfer of the Bonds. It is not exhaustive, and purchasers are urged to consult their professional advisers as to the tax consequences to them of holding or transferring Bonds.

Interest

Payment of interest on the Bonds to residents of Kazakhstan or to non-residents who either have a registered branch or representative office in Kazakhstan or maintain a permanent establishment in Kazakhstan (together, "**Kazakhstan Holders**"), other than to individuals (who are exempt) and Kazakhstan investment funds and certain other entities, will be subject to Kazakhstan withholding tax according to Tax Code of the Republic of Kazakhstan.

The withholding tax on interest mentioned above would not apply if the Bonds are included, as at the date of accrual of interest, in the official list of Astana International Exchange. See "*Risk Factors – Risks Relating to the Bonds - Delisting of the Bonds from the official list of the Astana International Exchange may subject interest payments on the Bonds to tax in the Republic of Kazakhstan*".

Gains

Any gains realized by Kazakhstan Holders in relation to the Bonds which are included, as at the date of sale, in the official list of Astana International Exchange and sold through open trades on Astana International Exchange are not subject to Kazakhstan income tax. See "*Risk Factors – Risks Relating to the Bonds - Delisting of the Bonds from the official list of the Astana International Exchange may subject interest payments on the Bonds to tax in the Republic of Kazakhstan*".

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR PURCHASER. EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE BONDS IN LIGHT OF THE PURCHASER'S OWN CIRCUMSTANCES.

4. OTHER INFORMATION

4.1. Audit and source of information including use of expert reports

The Issuer's financial statements for 2019 and 2020, also the Guarantor's financial statements for 2020, were audited by Crowe Audit KZ Limited Liability Partnership. In accordance with the findings of the auditors, the Issuer's financial statements for the years ended December 31, 2019 and December 31, 2020 reliably represent, in all material respects, the Issuer's financial position and financial performance at the indicated dates in accordance with International Financial Reporting Standards.

Auditors' reports for the indicated periods do not contain any qualifications.

Responsibility for the preparation of the audited financial statements, as well as for ensuring the internal control system necessary for the preparation of financial statements that do not contain material misstatements, rests with the Issuer's management.

5. ADMISSION TO TRADING

5.1. Key dates of admission to trading

Admission to the Official List – 10 December 2020.

Admission to trading on AIX – on or around 13 December 2020.

5.2. Estimation of the total expenses related to the offering and the admission to trading.

Fees associated with admission of the Bonds to the Official List of the AIX and to trading on the AIX pursuant to the AIX Fee Schedule, the AIX fees for book-building and allocation, the Lead Manager's and the Bookrunner's fees.

DEFINITIONS

- “**Admission**”: the admission of the Issuer’s Bonds to the Official List and trading on the Astana International Exchange Ltd.
- “**Affiliated persons**”: means any affiliated persons (legal entities and individuals) owning 5% and more of authorized capital and other affiliated persons in accordance with paragraph 1 of the Article 64 of the Law of the Republic of Kazakhstan “On joint stock companies” and the Article 12-1 of the Law of the Republic of Kazakhstan “On limited liabilities partnerships”.
- “**AIFC**”: Astana International Financial Center
- “**AIX**”: Astana International Exchange Ltd.
- “**AIX CSD**”: Astana International Exchange Central Securities Depository Limited, a private company incorporated under the Acting law of the AIFC responsible for daily cash and securities settlement and depository activities
- “**AIX Registrar**”: Astana International Exchange Registrar Limited
- “**AIX Trading Member**”: any legal entity who has a valid and active trading Membership Agreement with AIX and engaged in trading on the AIX Markets. The list of AIX Trading Members are posted on the AIX website under “AIX Membership – Trading Members”
- “**Allotment Date**”: the date of allotment of the Bonds
- “**Auditor** ”: Crowe Audit KZ Limited Liability Partnership or Crowe Audit Astana Limited Liability Partnership
- “**Bondholder**”/ “**Bondholders**” :...A holder/ holders of the Bonds
- “**Borrowed Money**”: means any indebtedness of any Person for or in respect of (i) moneys borrowed, (ii) amounts raised by acceptance under any acceptance credit facility, (iii) amounts raised pursuant to any Bond purchase facility or the issue of Bonds, notes, debentures, loan stock or similar instruments, (iv) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with generally accepted accounting standards in the jurisdiction of incorporation of the lessee, be treated as finance or capital leases, (v) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred primarily as a means of raising finance or financing the acquisition of the relevant asset or service and (vi) amounts raised under any other transaction (including any forward sale or purchase agreement and the sale of receivables or other assets on a with recourse basis) having the commercial effect of a borrowing.
- “**Business Day**” means a day (other than a Saturday or a Sunday) on which banks, AIX and foreign exchange markets are open for business in the relevant place of presentation and settle operations/ payments.
- Information on holidays and non-business days are posted on the AIX website under “News - AIX Market Notice”.
- If any date for payment in respect of any Bond is not a Business Day, the Bondholder shall not be entitled to payment until the next following Business Day nor to any interest or other sum in respect of such postponed payment

“Change in Ownership of

- Participating Interests”** any transaction or a series of transactions, which may result in a change of direct or indirect ownership of participating interests in charter capitals of the Issuer and/or the Guarantor, including but not limited to, transferring all or any participating interest (including the majority of participating interest) in the charter capitals of the Issuer and the Guarantor to a holding company, initial public offering of securities issued by such holding company in any stock exchange in Kazakhstan.
- “Charter”** the charter of the Issuer approved by the decision of the Participants - the protocol dated September 9, 2021
- “Constitution”**: the Issuer’s constituent documents
- “Coupon Rate”**: the fixed interest rate per annum, as defined in the Final Terms in respect of each Tranche
- “Event of Default”**: a partial or complete failure to fulfill the Issuer’s obligations on the Bonds described in the Prospectus
- “Extraordinary Resolution”**: decision of the general meeting of Bondholders, subject to the following conditions:
- (1) Bondholders voted for this decision, owning at least 85 percent of the bonds of the total number of the placed Bonds (except repurchased Bonds),
 - (2) if there are persons (two or more) among Bondholders who own 10 or more percent of the Bonds (not counting repurchased Bonds), 75 or more percent of such Bondholders should vote for the decision
- “Fair Market Value”**: means, with respect to any asset of the Issuer, the price which could be negotiated in an arm’s-length, market transaction, for cash, between a willing seller and a willing and able buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value will be determined by an Independent Appraiser.
- “Guarantor”**: MFO TAS MICROFINANCE LLP
- “Guarantee”**: The Guarantee agreement between the Guarantor and the Issuer in favor of Bondholders of the Issuer that is attached in Schedule 3.
- “Guaranteed Obligations”**: means obligations of the Issuer on the Bonds, namely 1) payment in full of the principal debt on the Bonds on their redemption or repurchase (within the nominal value of each Bond) and coupon interest in the time periods stipulated in the Prospectus; 2) Penalty accrued for the benefit of the Bondholders in accordance with the terms and conditions of the Prospectus drawn up at the issuance of the Bonds and to be paid due to the late performance of obligations by the Issuer on payment of the nominal value of the Bonds on their redemption or repurchase and/or paying the coupon interest; 3) reimbursement of legal costs for debt collection, other losses of Bondholders caused by non-performance and (or) improper performance by the Issuer of obligations under the Prospectus.
- “IFRS”**: International Financial Reporting Standards
- “Independent Appraiser”** means any of PricewaterhouseCoopers LLC, KPMG LLC, Deloitte & Touche LLP, Ernst & Young LLP.

"Microfinance organization "TAS FINANCE GROUP" Limited liability partnership

- "Issuer":**..... «Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership
- "Intragroup Loans":**..... Loans between the Issuer and the Guarantor.
- "Material Adverse Effect"** a material adverse effect upon the Issuer's ability to pay its obligations under the Bonds as they become due.
- "MAR Rules":** the Astana International Financial Center Market Rules (AIFC Rules No. FR0003 of 2017)
- "Maturity Date":**..... a maturity date as defined in the Final Terms in respect of each Tranche.
- "NBK":** the National Bank of the Republic of Kazakhstan or its successor.
- "Official List":** the Official List of Securities maintained by the Astana International Exchange Ltd.
- "Penalty":**..... a penalty paid by the Issuer to the Bondholders for each day, on which there is any Unpaid Amount. The amount of penalty payable per any Unpaid Amount in respect of any Bonds shall be equal to the product of the Coupon Rate, the Unpaid Amount and the number of calendar days on which any such Unpaid Amount remains due and unpaid divided by 360, rounding the resultant figure to the nearest cent, half of any such cent being rounded upwards
- "Person":**..... any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other legal entity, whether or not having separate legal personality
- "Record Date":**..... the last day of the period for which interest and/ or principal debt on the Bonds are paid
- "Record Date of the Creditors"** the Record Date, preceding the date of fully or partially unfulfilled payment on the liabilities to the Bondholders.
- "Participants".....** Tastekeyev D.T., Tastekeyev R.T., Kim R.V., Kadyrov S.R., Syrbu I.V. or their successors.
- "Ultimate Beneficiary Owners"** Dulat Tastekeyev, Rakhat Tastekeyev
- "Unpaid Amount":**..... any amount payable under the Bonds which remains due and unpaid
- "2020 Annual Financial Statements"** the Issuer's financial statement of TAS FINANCE GROUP LLP and MFO TAS MICROFINANCE LLP for the year ended 31 December 2020 that has been audited by the Auditor.
- "1H2021 Unaudited Financial Statements"** the Issuer's interim financial statements of TAS FINANCE GROUP LLP and MFO TAS Microfinance LLP for 6 months ended 30 June 2021 prepared by the Issuer and not audited by Auditor.

General Director
Dulat Tastekeyev
December 9, 2021



Specified currency	Kazakhstan tenge
Denomination	KZT500,000
Aggregate nominal amount of Bonds	KZT10,000,000,000
Guarantee	Written Guarantee of MFO TAS Microfinance LLP (the “Guarantee”). The Guarantee agreement is given in Schedule 3 of the Prospectus
Issue price	100% of the face value at the Issue Date
Issue Date	[●]
Interest Commencement Date	[●]
Maturity Date	[●]
The date of allotment	[●]
Estimated expenses	Fees associated with admission of the Bonds to the Official List of the AIX and to trading on the AIX pursuant to the AIX Fee Schedule and fees associated with the bookbuilding and settlement process on the AIX in the amount of [●].
Estimated net amount of proceeds of the Tranche	The net proceeds from the issuance are expected to amount to approximately [●] after deduction of fees and expenses related to the issue
Use of proceeds	[●]
Interest Basis:	[●]% Fixed Rate per annum payable quarterly in arrear
Interest Payment Dates	[●]
Redemption/Payment Basis	[●]
Redemption/Payment Period	[●]
Potential investors	[●]
Advisors to the Issuer	The Issuer appointed [●] as a financial consultant and underwriter in connection with this offering.
Clearing systems	AIX CSD

Issuer: “Microfinance organization “TAS FINANCE GROUP” Limited liability partnership

Name: Dulat Tastekeyev

Position: General Director

SUPPLEMENTARY PROSPECTUS DATED JULY 7, 2022 TO THE PROSPECTUS DATED
DECEMBER 10, 2021

**«Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП)
Limited liability partnership**

(registered as a limited liability partnership under the laws of the Republic of Kazakhstan with business identification number 100240019642)

KZT 20,000,000,000 5-year Bond Programme

This document (the “**Supplementary Prospectus**”), which comprises a supplementary prospectus for the purposes of section 73 of the AIFC Financial Services Framework Regulations, should be read in conjunction with the Bond Programme prospectus of the Issuer dated December 10, 2021 (the “**Prospectus**”) and is issued as a supplement to the Prospectus.

This Supplementary Prospectus is approved by Astana International Exchange (“**AIX**”) on July 7, 2022.

Application has been made to AIX to approve this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the respective AIFC respective Rules and Regulations.

This Supplementary Prospectus shall be read the following disclaimer before continuing. The following disclaimer applies to the attached Supplementary Prospectus and the Prospectus. Investors therefore advised to read this carefully before reading, accessing or making any other use of the attached document. In accessing the document, agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time investors receive any information from us as a result of such access. Acknowledge that this electronic transmission and the delivery of the attached document is confidential and intended only for investors and investors agree not to reproduce or publish this electronic transmission or forward the attached document to any other person.

This Supplementary Prospectus should be read together with the Prospectus, the terms used herein shall be deemed to be defined as such and set forth in the Prospectus and any decision to invest into the Bonds should be based on a consideration of the Prospectus as a whole by any investor. Other than the changes set out in this Supplementary Prospectus, all other details in relation to the Prospectus remain unchanged. The Supplementary Prospectus is available on the website of AIX at www.aix.kz.

To the extent that there is any inconsistency between (a) any statements in this Supplementary Prospectus and (b) any statement in or incorporated by reference into the Prospectus, the statements in this Supplementary Prospectus will prevail.

AMENDMENTS OR ADDITIONS TO THE PROSPECTUS

With effect from the date of this Supplementary Prospectus the information appearing in the Prospectus shall be amended and/or supplemented in the manner described below. The main purpose of this Supplementary Prospectus is to allow reorganization by accession of the affiliated company “Microfinance organization “TAS MICROFINANCE” Limited liability partnership acting as the Guarantor to «Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership acting as the Issuer. Accordingly, the Prospectus is amended as follows:

“3.5.3 Mergers

The Issuer and the Guarantor shall not enter into any reorganization (by way of a merger, accession, division, separation, or other bases or procedures for reorganization contemplated or as may be contemplated from time to time by the legislation of the Republic of Kazakhstan, as these terms are construed by the applicable legislation of the Republic of Kazakhstan) except the reorganization by accession of the Guarantor (affiliated company “Microfinance organization “TAS MICROFINANCE” Limited liability partnership) to the Issuer («Microfinance organization «TAS FINANCE GROUP» (ТАС ФИНАНС ГРУПП) Limited liability partnership”).

The Issuer accepts responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of the information.

Name: Dulat Tastekeyev
Position: General Director

