

News Release

Embargoed until 1200 ALMT / 0700 UTC 6 May 2025

FREEDOM HOLDING CORP. KAZAKHSTAN SERVICES PMI®

Kazakh service sector activity growth strongest in nine months

Stronger upticks in activity and new business

Job shedding marginal, but most pronounced for a year

Price pressures intensify slightly

Business activity across Kazakhstan's service sector rose at the start of the second quarter, the Freedom Holding Corp. PMI® produced by S&P Global signalled.

Growth in activity has now been recorded in each month since the turn of the year, with the latest uptick the most marked in nine months. Anecdotal evidence primarily attributed the expansion to the growing amount of new business received in April.

The headline figure is the Business Activity Index. This is calculated from a single question that asks for changes in the volume of business activity compared with one month previously. The index varies between 0 and 100, with a reading above 50 indicating an increase and below 50 a decrease. The index is adjusted for seasonal variation.

The headline Business Activity Index posted at 51.4 in April, up from 50.3 in March. The latest uptick in activity was the strongest since July 2024.

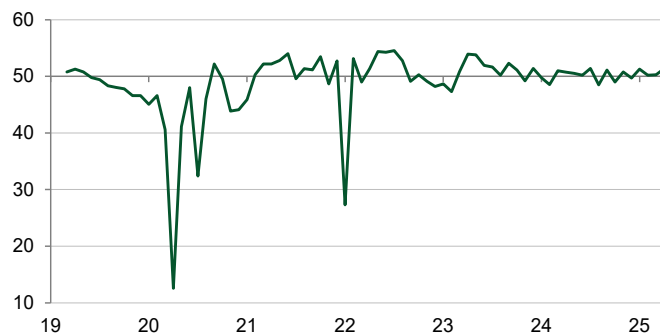
Growth in Kazakh business activity during April was often linked to rising new orders, as noted by surveyed panellists. In fact, the start of the second quarter recorded a sixth consecutive monthly rise in new business, with the latest expansion being the fastest in just over one-and-a-half years. This increase was attributed to improving underlying demand trends, successful marketing drives, new customer wins, and the introduction of new services.

Increases in activity and new business across Kazakhstan's service sector were accompanied by rising price pressures, the latest survey data showed. Cost burdens rose sharply in April, with general price hikes being the most common driver of higher costs faced by Kazakh service providers. The rate of input price inflation was stronger than that seen in the previous month, albeit still weaker than the long-run series average.

In line with rising cost burdens, Kazakh service providers raised their charges at a stronger pace in April. Moreover, the respective seasonally adjusted index ticked up to post above the historical average.

Despite a solid start to the second quarter, Kazakh service sector employment was reduced for the second straight month in April. The latest round of job shedding was only marginal and slightly stronger than seen in March, but the most marked for a year. Where firms reported a fall in workforce numbers, redundancies,

Freedom Holding Corp. Kazakhstan Services PMI Business Activity Index, sa, >50 = growth m/m



Data compiled 9-25 April 2025

Source: Freedom Holding Corp, S&P Global PMI. ©2025 S&P Global.

Comment

Yerlan Abdikarimov, Director of Financial Analysis Department at Freedom Finance Global PLC (100% subsidiary of the Freedom Holding Corp.):

"In April, the steady growth of business activity in the services sector of Kazakhstan, driven by a rapid increase in new orders, was accompanied by cost optimization and restructuring of operations at a number of companies. Consequently, the staff reductions that began in the previous month continued, and companies increasingly adopted strategies to transfer the burden of growing costs and market risks to their service prices. These trends point to signs of intensifying competition, under which companies are striving to balance increasing demand with cost control. Expectations for the next 12 months have been moderately adjusted following a surge in confidence in February and March. Notably, expectations remained historically strong, signalling sustained optimism within the sector."

branch closures, production optimisation and site reconstruction were reasons often cited. That said, underlying data noted that the vast majority of the surveyed panel, nearly 98%, kept their staffing numbers unchanged on the month.

Kazakh services companies remained strongly upbeat about the activity outlook at the start of the second quarter. While the level of optimism edged to a three-month low, it remained comfortably above the long-run average. More than half of surveyed panellists predicted higher activity in the coming 12 months. Hopes for improved demand, the introduction of new services, and increased investment in marketing and machinery were reasons underpinning confidence at services firms.

FREEDOM HOLDING CORP. KAZAKHSTAN COMPOSITE PMI

Kazakh private sector activity rises modestly in April

The Kazakh private sector recorded modest activity growth in April. The latest Composite PMI Output Index printed a three-month high of 51.2 (from 51.1 in March) and extended the current run of expansion to six months. While both monitored sectors showed an uptick, the service sector was the larger growth driver, with the rate of increase accelerating to a nine-month high. Meanwhile, the goods-producing sector noted only a marginal rise which was the least marked for a year.

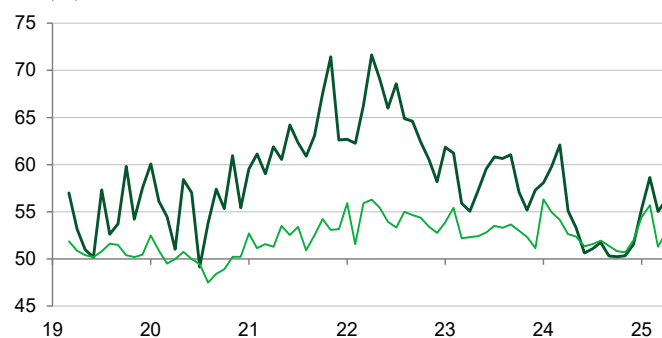
Growth in new business received at Kazakh companies was solid, with the rate of increase the fastest since September 2023.

Despite a solid increase in new orders, April data revealed a broadly stalled employment picture. The respective seasonally adjusted index slipped just below the neutral 50.0 mark, thereby ending the previous 11-month sequence of growth. Job shedding was centred on service providers.

Turning to prices, both cost burdens and output prices grew at slightly accelerated paces in April.

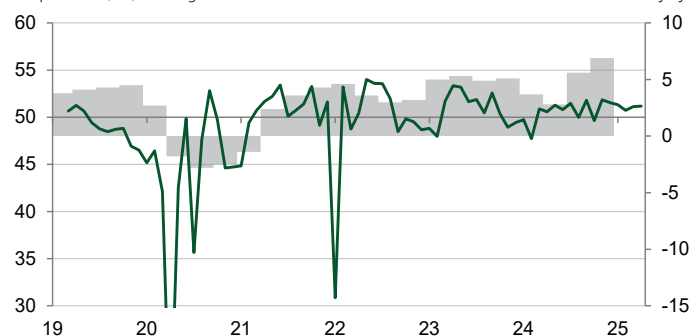
Looking ahead, firms were strongly upbeat regarding their activity for the coming year. Although the degree of confidence slipped to a four-month low, it remained above the survey average.

■ PMI Input Prices ■ PMI Prices Charged
Index, sa, >50 = inflation m/m



Source: Freedom Holding Corp, S&P Global PMI. ©2025 S&P Global.

■ Kazakhstan Composite PMI Gross Domestic Product (GDP) ■
Output Index, sa, >50 = growth m/m % yr/yr



Source: Freedom Holding Corp, S&P Global PMI. ©2025 S&P Global.

Contact

Yerlan Abdikarimov
Financial Analysis
Department Director
Freedom Finance Global PLC
Yerlan.abdikarimov@ffin.kz
Freedom Holding Corp.

Public Relations Department,
Freedom Finance Global PLC
pr@ffin.kz
Freedom Holding Corp.

Maryam Baluch
Economist
S&P Global Market Intelligence
T: +44 (0) 1344 327 213
maryam.baluch@spglobal.com

Corporate Communications
S&P Global Market Intelligence
press.mi@spglobal.com

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Methodology

The Freedom Holding Corp. Kazakhstan Services PMI[®] is compiled by S&P Global from responses to questionnaires sent to a panel of around 250 service sector companies.

The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in March 2019.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline manufacturing PMI figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series..

For further information on the PMI survey methodology, please contact economics@spglobal.com.

Freedom Holding Corp.

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The Holding, including subsidiaries, employs more than 6.8 thousand people.

The headquarter of Freedom Holding Corp. is in Almaty (Kazakhstan) with supporting administrative offices and subsidiaries locations in 22 countries including Kazakhstan, the United States of America, Cyprus, Poland, Spain, Uzbekistan, Azerbaijan and others.

Freedom Holding Corp.'s common stocks are registered with the U.S. Securities and Exchange Commission and trades under the ticker symbol FRHC on the Nasdaq Capital Market.

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