

News Release

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FREEDOM HOLDING CORP. **KAZAKHSTAN MANUFACTURING PMI®**

Confidence picks up amid further solid rise in new orders

- Sharper rise in new orders**
- Strongest confidence since June 2024**
- Input cost inflation at two-year high**

A solid expansion of new orders meant that the Kazakhstan manufacturing sector remained comfortably inside growth territory during February.

Output, employment and purchasing also increased again during the month, while business confidence was the strongest since June last year.

Meanwhile, the pace of input cost inflation hit a two-year high and firms increased their output prices at a faster pace accordingly.

The Freedom Holding Corp. Kazakhstan Manufacturing PMI® (Purchasing Managers' Index™) posted 52.1 in February, up from 51.5 in January and signalling a further improvement in business conditions in the Kazakh manufacturing sector. The latest reading extended the current sequence of strengthening operating conditions to 12 months.

Central to the overall improvement in the health of the sector during February was the ability of firms to secure new orders. New business increased for the thirteenth consecutive month, and at a solid pace that was faster than in January.

Respondents signalled an improved demand environment, the signing of new contracts and the impact of advertising.

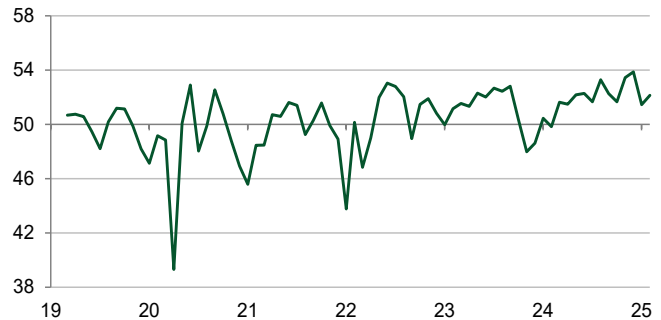
The rise in new orders led to an increase in production during February, thereby extending the current sequence of monthly expansion to one year. The latest rise was modest but slightly faster than in the previous survey period.

Higher output requirements encouraged manufacturers to expand staffing levels, although the pace of job creation eased to a nine-month low and was only slight.

The softer rise in employment and the fact that new orders increased more quickly than output meant that backlogs of work accumulated for the second month running. Moreover, the latest rise was the fastest since February 2024.

A further solid expansion of purchasing activity was signalled in February, although the pace of growth eased to a four-

Freedom Holding Corp. Kazakhstan Manufacturing PMI Index, sa, >50 = improvement m/m

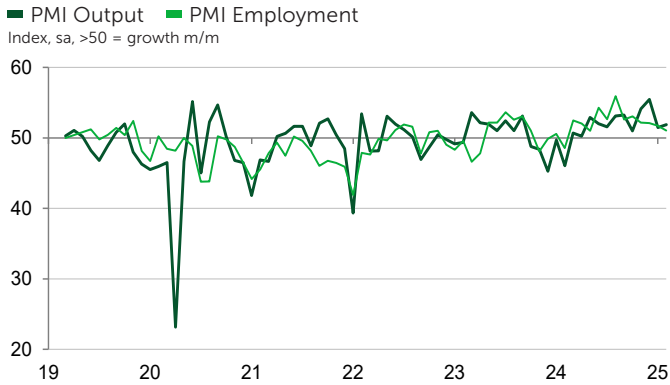


Data were collected 10-21 February 2025.
Source: Freedom Holding Corp, S&P Global PMI. ©2025 S&P Global.

Comment

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

"Kazakhstan's manufacturing sector showed a recovery in growth rates in February after a significant slowdown in January, when the indicator fell sharply from its historical maximum in December (from 53.9 to 51.5). The recovery was driven by steady growth in new orders and increased production volumes. Worrying factors included a sharp acceleration in cost-push inflation, which reached a two-year high due to rising prices for raw materials, transport and utilities, which in turn led to higher selling prices. Logistics problems and customs delays affected delivery times, but procurement activity continued to grow. Despite the challenges, as well as the fiscal reforms announced by the Government in January-February of this year, industry representatives raised their one-year forecasts to an eight-month high. In addition to the sector's confidence in stable demand, this could also be supported by the Government's decision to stimulate industry diversification through the launch of a large-scale program supporting investment projects with the involvement of the country's development institutions."



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

month low. Meanwhile, logistical issues, particularly around customs clearances, meant that suppliers' delivery times lengthened modestly.

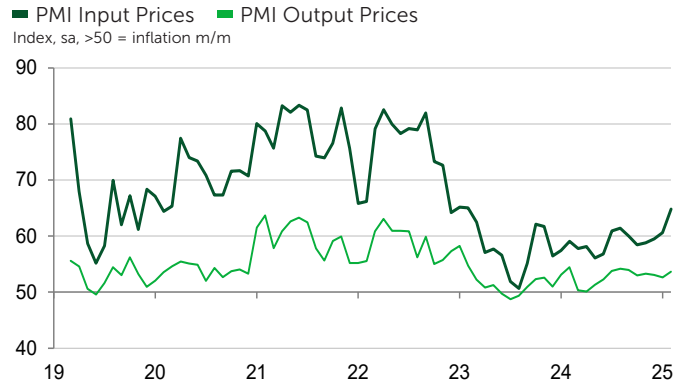
Purchased inputs were generally used to support production, and stocks of inputs therefore continued to fall. That said, the rate of depletion was only fractional.

Stocks of finished goods ticked higher, meanwhile, following a fall in the previous month. Some firms accumulated inventories amid positive expectations for the future, but the need to support current sales requirements limited the pace at which stocks increased.

Optimism in the future reflected expected improvements in customer demand and the securing of new clients. Around 54% of panellists predicted a rise in output over the coming year, with confidence hitting an eight-month high.

The rate of input cost inflation accelerated for the fourth successive month in February and was the fastest in two years. Higher costs for raw materials, transportation and utilities were reported, while currency weakness against the Russian ruble in particular also added to inflationary pressures.

In turn, manufacturers raised their own selling prices for the eighteenth month running, and at a solid pace that was the fastest since last September.



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

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Methodology

The Freedom Holding Corp. Kazakhstan Manufacturing PMI[®] is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 250 manufacturers. 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 Purchasing Managers' Index[™] (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

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.

PMI by S&P Global

Purchasing Managers' Index[™] (PMI[®]) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

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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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