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S&P Global Ratings of Freedom Holding Corp. Subsidiaries Downgraded in Wake of Russia-Ukraine Conflict

ALMATY, KAZAKHSTAN / ACCESSWIRE / March 17, 2022 /Freedom Holding Corp. (NASDAQ:FRHC) (the "Company," "we" or "our") today announced that S&P Global Ratings ("S&P") has lowered its long-term issuer credit ratings on Company subsidiaries Freedom Finance JSC, Bank Freedom Finance Kazakhstan, JSC, Freedom Finance Global, PLC, and Freedom Finance Europe Ltd. to "B-" from "B" and lowered the rating of Investment Company Freedom Finance, LLC to "CCC-" from "B". All credit ratings remain on CreditWatch with negative implications. S&P indicated it lowered the rating on Investment Company Freedom Finance to reflect its view that our Russian brokerage subsidiary will be severely affected by the steep repricing and disruption in Russia's capital markets and its assumption that Investment Company Freedom Finance would likely need an unexpected favorable change in operating conditions to continue meeting its obligations. S&P downgraded our other subsidiaries to reflect expected weaker business prospects for the Company as a whole but acknowledged that these subsidiaries are likely to be less affected. S&P considers it unlikely there would be spillover from Investment Company Freedom Finance to our other entities and the Company's exposure to Russian securities, which have experienced sharp repricing, is concentrated in our Russian brokerage subsidiary. S&P noted, that a significant currency translation loss, remains a notable risk for the Company as sharp depreciation in the Russian ruble and depreciation in the Kazakhstani tenge is likely to significantly impair group earnings, at least in the short term.

"The lowering of the credit ratings of the Company's subsidiaries is a foreseeable byproduct of the military incursion into Ukraine and the consequent international sanctions, with the limited downgrading of our non-Russian subsidiaries as evidence of a more positive outlook for our non-Russian regional business prospects," commented Timur Turlov, Company CEO. Turlov continued, "as we previously noted, we have ceased our operations in Ukraine and are making concerted efforts to secure the well-being of all of our Ukrainian employees. Although the full impact of the sanctions is not yet evident, our operations in Kazakhstan, Uzbekistan, Kyrgyzstan, the EU and the U.S. are continuing, our current liquidity position remains healthy and our exposure to Russian ruble denominated securities remains low."

"In addition to governmental sanctions, a number of international corporations have announced plans to voluntarily cease their Russian operations. While the focus of sanctions has not been directed at ordinary Russian citizens, the sanctions have created significant currency depreciation and interest rates hikes, which has resulted in disruption to the Russian securities markets and the Russian economy, which are expected to have an adverse impact on the purchasing power of ordinary Russian citizens and could weaken demand for access to the international securities markets where we operate," Mr. Turlov concluded.

About S&P

S&P is an international market leader in the provision of independent financial market analysis including credit data and credit ratings for companies and countries.

About Freedom Holding Corp.

Freedom Holding Corp., a Nevada corporation, is a financial services holding company conducting retail financial securities brokerage, investment research, investment counseling, securities trading, investment banking and underwriting services and consumer banking through its subsidiaries under the name of Freedom Finance in Europe and central Asia. Through its subsidiaries, the Company employs more than 2,900 people and is a professional participant in the Kazakhstan Stock Exchange, Astana International Exchange, Moscow Exchange, Saint-Petersburg Exchange, Ukrainian Exchange, Republican Stock Exchange of Tashkent, Uzbek Republican Currency Exchange and member of the New York Stock Exchange and Nasdaq Stock Exchange. The Company is headquartered in Almaty, Kazakhstan, with administrative office locations in Russia, Cyprus, and the United States.

The Company's common shares are registered with the United States Securities and Exchange Commission and are traded in the United States on the Nasdaq Capital Market, operated by Nasdaq, Inc.

Cautionary Note Regarding Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements can be identified by terminology such as "continue," "could," "expect," "indicate," "lead," "likely," "making," "may," "plans," "reflect," "view," and "will," or the negative or other derivations of such terms or other comparable terminology used in connection with any discussion of future plans, actions, events or anticipated outcomes.

Forward-looking statements are not guarantees of future actions, events, impacts or outcomes. These risks and uncertainties include, but are not limited to the risk that: the U.S., EU, UK, Russia or other countries issue sanctions and/or countermeasures that more directly impact our ability to continue to conduct our business as we have done in the past; the U.S., EU, UK or other countries issue sanctions focused toward the Russian or other securities markets where we act as a licensed participant which restrict or eliminate our ability to provide services we have historically delivered; the impact of the war or the sanctions and countermeasures issued in response have a prolonged or substantial negative impact on the economies or market conditions of the countries where we operate; significant, ongoing currency devaluations and/or prolonged higher interest rates in the countries where we operate could negatively impact those markets, and in turn, result in lower income, higher expenses and/or negative impacts on our results of operations and financial condition; we may not timely understand or implement measures adequate to address the constantly expanding sanctions, general licenses issued with sanctions, and countermeasures; or we experience significant customer account closures or liquidity issues.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof, as current events are fluid and evolving and actual outcomes and results could differ materially as a result of factors discussed above or as a

result of other factors we may not have identified, or properly understood. All forward-looking statements apply only as of the date made. We undertake no obligation to publicly update or revise forward-looking statements to reflect events or circumstances after the date any such forward-looking statements are made or to reflect the occurrence of unanticipated events, new information or otherwise.

Website Disclosure

Freedom Holding Corp. intends to use its website, <https://ir.freedomholdingcorp.com>, as a means for disclosing material non-public information and for complying with SEC Regulation FD and other disclosure obligations.

Contact: usoffice@freedomholdingcorp.com

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