NURBANK

Nurbank JSC

Separate Financial Statements and Independent Auditors' Report

for the year ended 31 December 2025

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NURBANK JSC

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Management is responsible for the preparation of the separate financial statements, that fairly present, in all material respects, financial position of Nurbank Joint Stock Company (hereinafter – the "Bank") as at 31 December 2025 and the results of its operations, changes in equity and cash flows for the year ended 31 December 2025 in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (hereinafter – "IASB").

In preparing the separate financial statements management is responsible for:

- selecting of proper accounting principles and its consistent application;
- presenting information, including accounting policies, in a manner that provides relevance, reliability, comparability and understandability of such information;
- using of reasonable and appropriate estimates and assumptions;
- providing additional disclosures when compliance with the requirements of IFRSs is insufficient for users of the separate financial statements to understand the impact of particular transactions, as well as other events and conditions on the financial position and financial results of the Bank's operation; and
- assessment of the Bank's ability to continue as a going concern in the foreseeable future.

Management is also responsible for:

- designing, implementing and maintaining the effective and reliable functionality of the internal control system of the Bank;
- maintaining adequate accounting system which allows the preparation of information about the Bank's financial position at any time with reasonable accuracy, and to ensure compliance of the separate financial statements with IFRSs;
- maintaining accounting records in accordance with the legislation of the Republic of Kazakhstan;
- adopting measures within its competence to safeguard assets of the Bank; and
- detecting and preventing fraud and other irregularities.

These separate financial statements for the year ended 31 December 2025 were approved for issuance on 31 March 2026 by the management of the Bank.

Acting Chairman of the Board — Mazhuga A.N.

Chief accountant — Ospanova G.A.

GrantThornton

Grant Thornton LLP
Office 2103
4V BC Nurly Tau, n.p.
21V
15 Al-Farabi ave.
Almaty
050059/A15E2P5

T +7 (727) 311 13 40

almaty@kz.gt.com
www.grantthornton.kz

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors of Nurbank JSC

Opinion

We have audited the separate financial statements of Nurbank JSC ("the Bank"), which comprise the separate statement of financial position as at 31 December 2025, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statement present fairly, in all material respects, the separate financial position of the Bank as at 31 December 2025, and its separate financial performance and its separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We also draw attention to Note 2 to the separate financial statements, which discloses the fact that Nurbank JSC is the parent company of the Group of companies, and the consolidated financial statements of Nurbank, prepared in accordance with IFRS, were issued separately. We have audited the consolidated financial statements of the Nurbank JSC Group as at 31 December 2025 and for the year then ended and expressed an unmodified opinion on those statements on 31 March 2026.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Why the matter was determined to be a key audit	How the matter was addressed in the audit
Collective assessment of expected credit losses on loans to customers in accordance with IFRS 9 Financial instruments ("IFRS 9"). As at 31 December 2025 the gross amount of loans to customers amounted to 360,910,380 thousand tenge, including loans to customers for 281,080,371 thousand tenge, for which the allowance for expected credit losses is estimated on a collective basis. ` We identified the impairment of loans to customers assessed on a collective basis as a key audit matter due to the significance and subjectivity of the judgments used by the Bank's management, as well as the fact that loans assessed on a collective basis have a risk of incorrect valuation due to significance and subjectivity judgments used by the Bank's management, as well as the risk of errors in the source information used, including incorrect data on loans, such as the maturity date, amounts due, inaccurate or incomplete underlying assumptions for the probability of default (PD), loss given default level (LGD), as well as mismatch of historical and predictive information with market indicators. Note 17 to the separate financial statements indicates a disclosure of the gross book value and related expected credit losses.	We obtained an understanding of processes and control procedures related to the issuance of loans, credit risk management and ECL assessment for loans to customers, assessed on a collective basis. We challenged the reasonableness of the methodology on collective loan loss provisioning and its compliance with IFRS 9 requirements. We checked that the data inputs and key assumptions used in the models for assessing PDs and LGDs reflect historical data about incurred credit losses adjusted for relevant forward-looking macroeconomic factors. On a selective basis, we tested the accuracy and completeness of the data included in the ECL models, traced information used in the ECL models to source data, and assessed the appropriateness of forward-looking information used in the models. We also assessed the adequacy and completeness of disclosures in the separate financial statements related to the loans to customers in accordance with IFRS requirements.

Why the matter was determined to be a key audit (continued)	How the matter was addressed in the audit (continued)
Individual assessment of expected credit losses on loans to customers in accordance with IFRS 9. As at 31 December 2025, the gross amount of loans assessed on an individual basis amounted to 79,800,290 thousand tenge. The amount of the allowance for the ECL on individually significant loans is dependent on the accuracy of allocation of loans to appropriate stage of impairment in the provisioning system of the Bank. In particular, exposures with significant increase in credit risk and credit-impaired exposures (movements between stage 1, stage 2 and stage 3) may not be fully identified or classified as at the reporting date, as not all reasonable qualitative and quantitative and forward-looking information is not taken into account when evaluating stages of a significant increase in credit risk or credit-impaired stages. Due to the significance of the allowance for expected credit losses on individually assessed loans and the complexity and subjectivity of management's judgments, we identified individual assessment of ECL as a key audit matter. Note 17 to the separate financial statements presents impairment indicators for individually significant loans and the disclosure of the gross carrying amount and related reserves for such loans.	We obtained an understanding of the loan issuance and the credit risk management processes. We assessed the Bank's methodology in respect of definitions of significant increase in credit risk and credit-impairment for ECL assessed on individual basis. On a selective basis we performed a detailed credit review and challenged the Bank's identification of significant increase in credit risk (stage 2) and the existence of default (stage 3). In order to evaluate whether the loans have been appropriately classified to the respective stage, we assessed clients' internal credit ratings, credit risk factors and checked whether impairment events, such as a delay in the payment of accrued interest or principal, restructuring events, deterioration of financial performance indicators and external information on borrowers had been identified in a timely manner. On a selective basis, we recalculated the reserves for ECL for individually significant loans, including a review of the Bank's credit assessment of borrowers, analysis of assumptions underlying ECL calculation, such as future cash flow projections and evaluation of collateral as well as agreeing key assumptions to supporting documents.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report for 2025 but does not include the separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's report.

Our opinion on the separate financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Nurbank JSC's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Separate Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Nurbank JSC ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance in Nurbank JSC, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton LLP

Arman Chingilbayev	Yerzhan Dossymbekov
Auditor/Engagement Partner	General Director Grant Thornton LLP
Certified Auditor of the Republic of Kazakhstan Qualification certificate №MF-00000553 dated 20 December 2003	State license №18015053, for providing audit service on the territory of the Republic of Kazakhstan issued by the Internal Audit Committee of the Ministry of Finance of the Republic of Kazakhstan on 3 August 2018

31 March 2026
Almaty, the Republic of Kazakhstan

NURBANK JSC

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of tenge	Note	**2025**	2024
Interest income calculated using the effective interest rate	4	68,133,780	59,742,397
Other interest income	4	734	970
Interest expense	4	(41,438,705)	(35,857,136)
Net interest income		**26,695,809**	**23,886,231**
Expected credit losses income/ (expenses)	5	343,455	(5,345,602)
Net interest income after expected credit loss expense		**27,039,264**	**18,540,629**
Fee and commission income	6	11,723,526	15,016,357
Fee and commission expense	6	(7,714,825)	(10,951,569)
Net fee and commission income		**4,008,701**	**4,064,788**
Net gain/ (loss) on financial assets at fair value through profit or loss (hereinafter – "FVPL")	7	4,321,680	(2,016,900)
Net foreign exchange gain	8	3,772,252	9,906,201
Net loss on derecognition of financial assets at fair value through other comprehensive income (hereinafter – "FVOCI")		–	(81,083)
Other operating income	9	305,816	194,433
Net operating income		**39,447,713**	**30,608,068**
Personnel expenses	10	(13,775,444)	(9,766,864)
General and administrative expenses	11	(8,600,487)	(6,501,349)
Benefit/ (expenses) on impairment and provisioning	20, 21	548,393	(1,003,124)
Profit before corporate income tax		**17,620,175**	**13,336,731**
Corporate income tax expenses	12	(6,106,375)	(316,359)
Profit for the year		**11,513,800**	**13,020,372**
Other comprehensive income			
Other comprehensive income items to be reclassified to profit or loss in subsequent periods:			
Net change in fair value of debt instruments at FVOCI		(4,315,950)	362,640
Changes in allowance for expected credit losses of debt instruments at FVOCI		(53,120)	103,787
Reclassification of amount resulted from disposal of debt instruments at FVOCI to profit or loss		–	81,083
Total items to be reclassified to profit or loss in subsequent periods		*(4,369,070)*	*547,510*
Other comprehensive (loss)/ income for the year		**(4,369,070)**	**547,510**
Total comprehensive income for the year		**7,144,730**	**13,567,882**
Earnings per ordinary share:			
Basic earnings for the year attributable to ordinary share owners, in tenge	29	**853.25**	**964.90**
Diluted earnings for the year attributable to ordinary share owners, in tenge	29	**641.05**	**662.87**

The accompanying notes on pages 5 to 81 are integral part of these separate financial statements

Acting Chairman of the Board — Mazhuga A.N.

Chief accountant — Ospanova G.A.

31 March 2026
Almaty, the Republic of Kazakhstan

SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

In thousands of tenge	Note	**31 December 2025**	31 December 2024
ASSETS			
Cash and cash equivalents	13	59,346,822	112,833,519
Financial assets at FVPL		16,153	15,811
Debt securities at amortized cost	14	45,331,653	41,641,848
Financial assets at FVOCI	15	73,272,437	91,311,459
Amounts due from credit institutions	16	21,157,347	9,923,622
Loans to customers	17	325,910,380	237,663,043
Property and equipment	18	10,904,851	9,348,861
Investment property	19	2,008,179	2,655,051
Investment in subsidiaries	20	15,002,596	14,335,505
Other assets	21	9,746,458	9,708,037
Total assets		**562,696,876**	**529,436,756**
LIABILITIES			
Amounts due to banks and other credit institutions	22	29,107,769	7,561,046
Amounts due to customers	23	399,141,263	395,357,922
Debt securities issued	24	10,374,125	10,374,125
Subordinated debt	25	32,775,520	34,055,428
Deferred tax liability	12	6,613,684	2,702,583
Lease liabilities	26	787,636	1,017,055
Other liabilities	27	9,201,958	10,818,406
Total liabilities		**488,001,955**	**461,886,565**
EQUITY			
Share capital	28	147,649,693	147,649,693
Treasury shares		(11,883)	(11,883)
Fair value reserve		(3,443,774)	925,296
Revaluation reserve for land and buildings		4,542,169	4,602,530
Accumulated losses		(74,041,284)	(85,615,445)
Total equity		**74,694,921**	**67,550,191**
Total liabilities and equity		**562,696,876**	**529,436,756**

The accompanying notes on pages 5 to 81 are integral part of these separate financial statements

Acting Chairman of the Board Mazhuga A.N.

Chief accountant Ospanova G.A.

31 March 2026
Almaty, the Republic of Kazakhstan

SEPARATE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of tenge	**2025**	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest income received	68,810,947	59,986,316
Interest expense paid	(37,945,357)	(33,155,436)
Fee and commission received	11,795,848	15,257,471
Fee and commission paid	(7,707,311)	(10,951,451)
Net realized gains from foreign exchange operations	838,369	14,124,773
Net receipts/ (payments) on transactions with financial instruments measured at fair value through profit or loss for the period	4,321,680	(2,016,900)
Other operating income received	305,816	194,433
Personnel expenses paid	(13,359,755)	(9,624,095)
General and administrative expenses paid	(9,168,306)	(7,317,541)
Cash flows from operating activities before changes in operating assets and liabilities	**17,891,931**	**26,497,570**
Decrease/ (increase) in operating assets		
Financial assets at FVPL	75	(4,863)
Financial assets at amortized cost	(1,942,580)	(11,152,844)
Amounts due from credit institutions	(10,984,671)	(6,761,055)
Loans to customers	(82,582,845)	(11,697,163)
Other assets	(5,703,002)	(5,028,993)
Increase/ (decrease) in operating liabilities		
Amounts due to banks and other credit institutions	16,012,794	2,507,992
Loans and deposits due to banks and other financial institutions	5,318,486	(163,823)
Amounts due to customers	3,698,037	61,703,996
Other liabilities	(4,532,545)	2,133,710
Net cash flows (used in)/ from operating activities before corporate income tax	**(62,824,320)**	**58,034,527**
Corporate income tax paid	(2,195,274)	–
Net cash (used in)/ from operating activities	**(65,019,594)**	**58,034,527**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of financial assets at FVOCI (Note 15)	(14,555,108)	(33,093,307)
Sale and repayment of financial assets at FVOCI (Note 15)	33,264,572	8,630,364
Purchases of property, equipment	(2,277,259)	(237,839)
Net cash from/ (used in) investing activities	**16,432,205**	**(24,700,782)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of principal amount on financial lease	(636,000)	(531,507)
Repurchase of subordinated debt (Note 25)	(4,500,000)	–
Net cash flows used in financing activities	**(5,136,000)**	**(531,507)**
Net (decrease)/ increase in cash and cash equivalents	**(53,723,389)**	**32,802,238**
Effect of changes in exchange rates on cash and cash equivalents	231,708	(1,584,450)
Effect of expected credit losses on cash and cash equivalents	4,984	(2,900)
Cash and cash equivalents as at the beginning of the year	112,833,519	81,618,631
Cash and cash equivalents as at the end of the year (Note 13)	**59,346,822**	**112,833,519**

The accompanying notes on pages 5 to 81 are integral part of these separate financial statements

Acting Chairman of the Board — Mazhuga A.N.

Chief accountant — Ospanova G.A.

31 March 2026
Almaty, the Republic of Kazakhstan

NURBANK JSC

SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of tenge	**Share capital**	**Treasury shares**	**Fair value reserve**	**Revaluation of reserve for land and buildings**	**Accumulated losses**	**Total**
Balance as at 1 January 2024	**147,649,693**	**(11,883)**	**377,786**	**4,663,414**	**(98,696,701)**	**53,982,309**
Total comprehensive income						
Profit for the year	–	–	–	–	13,020,372	**13,020,372**
Other comprehensive income for the year	–	–	547,510	–		**547,510**
Total other comprehensive income for the year	–	–	**547,510**	–	***13,020,372***	**13,567,882**
Other changes in equity						
Transfer of the amount of increase in the value of property from revaluation as a result of depreciation and disposal	–	–	–	(60,884)	60,884	–
Total other changes in equity	–	–	–	**(60,884)**	**60,884**	–
Balance as at 31 December 2024	**147,649,693**	**(11,883)**	**925,296**	**4,602,530**	**(85,615,445)**	**67,550,191**
Total comprehensive income			–	–	–	–
Profit for the year	–	–	–	–	11,513,800	**11,513,800**
Other comprehensive loss for the year	–	–	(4,369,070)	–	–	**(4,369,070)**
Total other comprehensive income for the year	–	–	***(4,369,070)***	**–**	***11,513,800***	**7,144,730**
Other changes in equity						
Transfer of the amount of increase in the value of property from revaluation as a result of depreciation and disposal	–	–		(60,361)	60,361	–
Total other changes in equity	**–**	–	–	(60,361)	60,361	–
Balance as at 31 December 2025	**147,649,693**	**(11,883)**	**(3 443 774)**	**4,542,169**	**(74,041,284)**	**74,694,921**

The accompanying notes on pages 5 to 72 are integral part of these separate financial statements

Acting Chairman of the Board _______________ Mazhuga A.N.

Chief accountant _______________ Ospanova G.A.

31 March 2026
Almaty, the Republic of Kazakhstan

1. GENERAL INFORMATION

Organisation and operations

Nurbank Joint Stock Company (hereinafter – the "Bank") was established in accordance with the legislation of the Republic of Kazakhstan in 1992. The principal activities are deposit taking and customer account maintenance, lending, issuing guarantees, cash and settlement operations and transactions with securities and foreign currencies.

The activities of the Bank are regulated by the Agency of the Republic of Kazakhstan for regulation and development of financial market (hereinafter – the "Agency"). The Bank has a general license No.1.2.15/193 dated 3 February 2020 and is a member of the Kazakhstan Deposit Insurance Fund. The Bank's registered office is 10V Abay ave., A15E2D3, Almaty, the Republic of Kazakhstan.

As at 31 December 2025, the Bank has 16 branches and 47 banking service centers (31 December 2024: 17 branches and 102 banking service centers). The majority of the assets and liabilities of the Bank are located in the Republic of Kazakhstan.

Shareholders

As at 31 December 2025 and 2024, the following shareholders owned 5% or more of the issued voting shares of the Bank:

Name	**Ownership, %**	
	31 December 2025	31 December 2024
J. P. Finance Group LLP	**77.88**	87.87
Marko Blanusa	**9.98**	–
JA Collection Company LLP	**5.97**	5.97
Other shareholders owning less than 5% each	**6.17**	6.16
	100.00	**100.00**

As at 31 December 2025 and 2024, Mr. Sarsenov E.R., citizen of the Republic of Kazakhstan, was the beneficial owner of 77.88% and 87.87% of the ordinary shares of the Bank and the ultimate controlling party of the Bank.

Regulatory and Economic Environment for business operations in the Republic of Kazakhstan

The Bank's operations are primarily located in Kazakhstan. Consequently, the Bank is exposed to the economic and financial risks on markets of Kazakhstan, which display emerging-market characteristics. Legal, tax and regulatory frameworks continue to develop, but are subject to varying interpretations and frequent changes that, together with other legal and fiscal impediments, contribute to the challenges faced by entities operating in Kazakhstan. In addition, the recent significant depreciation of the Kazakhstan tenge have increased the level of uncertainty in the business environment.

These separate financial statements reflect management's assessment of the possible impact of the Kazakhstan business environment on the operations and the financial position of the Bank. The future business environment may differ from management's assessment.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Statement of compliance

The accompanying separate financial statements are prepared in accordance with International Financial Reporting Standards (hereinafter – "IFRSs") as issued by the International Accounting Standards Board (hereinafter – "IASB").

Controlled entities are not consolidated into these separate financial statements. Investments in controlled entities were accounted for at cost. These separate financial statements should be read in conjunction with the consolidated financial statements that were approved for issue by the Bank's management on 31 March 2026.

The consolidated financial statements for the year ended 31 December 2024, prepared in accordance with IFRSs and issued on 31 March 2026 can be obtained from the Bank's head office at 10V Abay ave., A15E2D3, Almaty, the Republic of Kazakhstan.

Going concern principle

These separate financial statements have been prepared on the assumption that the Company will continue its operations in the foreseeable future.

Basis of measurement

The separate financial statements are prepared on the historical cost basis except those financial instruments at fair value through profit or loss and available-for-sale financial assets at fair value, and land, buildings stated at revalued amounts in land and buildings revaluation reserve.

Functional and presentation currency

The functional currency of the Bank is the Kazakhstani tenge (hereinafter – "tenge") as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of underlying events and circumstances relevant to the Bank.

Kazakhstani tenge is also the presentation currency for the purposes of these separate financial statements. Separate financial statement information presented in tenge is rounded to nearest thousand.

Use of estimates and judgments

To apply the Bank's accounting policies, management used its judgments and made estimates in determining the amounts recognized in the separate financial statements. The following are the most significant use of judgments and evaluations:

Fair value of financial instruments

If the fair value of financial assets and financial liabilities recorded in the separate statement of financial position cannot be determined based on prices in an active market, it is determined using various valuation models, including mathematical models. Baseline data for such models are determined based on the observed market, if this is possible; otherwise, a substantial judgment is required to determine fair value.

Valuation of collateral

The management of the Bank monitors collateral on a regular basis. The management of the Bank uses internal valuation approaches based on international requirements or uses an independent valuation to adjust the value of collateral based on the current market conditions.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

Use of estimates and judgments (continued)

Expected credit losses ("ECL")

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- the Bank's internal credit grading model, which assigns probability of default (PD) to the individual grades;
- the Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime expected credit loss (LTECL) basis and the qualitative assessment;
- the segmentation of financial assets when their ECL is assessed on a collective basis;
- development of ECL models, including the various formulae and the selection of inputs;
- determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PD, exposure at default (EAD) and loss given default (LGD);
- selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies is described in the following notes:

- corporate income tax expenses – Note 12;
- ECL measurement – Note 5;
- revaluation of land and buildings – Note 18 and 19;
- estimates of fair values of financial instruments – Note 35.

Climate-Related Matters

The Bank complies with the requirements of the Environmental Code of the Republic of Kazakhstan. The Bank analyzed the impact of environmental, social, and governance (ESG) factors on its operations and separate financial statements and concluded that, given the nature of its operations and the scale of its business, these factors do not currently have a material impact on its financial performance.

The Bank currently complies with all existing laws and regulations related to the environment, public health, and safety. The Bank will continue to monitor all relevant legislative and regulatory changes that may lead to a reassessment of the material impact of ESG factors on its operations.

New Standards, Interpretations, and Amendments to Existing Standards and Interpretations

The accounting principles applied in the preparation of the separate financial statements are in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (hereinafter – "IASB"), and were applied in the preparation of the Bank's separate financial statements for the year ended 31 December 2024, except for the new standards and interpretations that became effective on 1 January 2025. The Bank has not early adopted any standards, interpretations, or amendments that have been issued but are not yet effective.

During the reporting year, the Bank adopted amendments to IAS 21 Not Convertible Currency, effective 1 January 2025.

2. BASIC OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

New Standards, Interpretations, and Amendments to Existing Standards and Interpretations (continued)

On 20 August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates. The amendments introduce the definition of a "convertible currency" and clarify the following matters:

- an exchange between one currency and another exists when an entity is able to obtain the other currency within a period of time, taking into account normal administrative delays, through a currency exchange market or mechanism in which the exchange transaction creates legally enforceable rights and obligations;
- an entity assesses whether a currency is exchangeable at the measurement date and for a specific purpose. If, at the measurement date and for that specific purpose, an entity is able to obtain no more than an insignificant amount of the other currency, the currency is considered not to be exchangeable;
- where multiple exchange rates exist, the existing guidance remains unchanged; however, the requirement to use the first subsequent exchange rate at which the entity is able to obtain the other currency when exchangeability is temporarily unavailable has been removed. In such cases, the entity is required to estimate the spot exchange rate.

In addition, the amendments introduce enhanced disclosure requirements. An entity is required to disclose the following information:

- the nature and financial effects of the lack of exchangeability of one currency into another currency,
- the spot exchange rate(s) used,
- the process applied to estimate such exchange rate(s), and
- the risks to which the entity is exposed as a result of the currency not being exchangeable into another currency.

The amendments did not have an impact on the Bank's separate financial statements, as the Bank does not operate in circumstances in which the exchangeability of currencies is lacking.

New standards and interpretations not yet effective

The following are new standards, amendments, and interpretations that were issued but not yet effective as of the date of issuance of the Bank's separate financial statements. The Bank intends to adopt these standards, amendments, and interpretations, if applicable, on their effective dates.

Standards not effective for the annual period ended 31 December 2025	Applicable to annual reporting periods beginning on
• Amendments to IFRS 9 and IFRS 7 – Amendments to the classification and measurement of financial instruments	1 January 2026
• Amendments to IFRS 9 and IFRS 7 – Contracts related to nature-dependent electricity	1 January 2026
• Annual Improvements to IFRS Standards – Volume 11:	1 January 2026
• Amendments to IAS 7 – Measurement at Initial Cost;	
• Amendments to IFRS 9 – Derecognition of Lease Liabilities;	
• Amendments to IFRS 10 – Definition of De Facto Agent;	
• Amendments to the Implementation Guidance on IFRS 7 – Disclosure of Deferred Difference Between Fair Value and Transaction Price;	
• Amendments to IFRS 7 – Profit or Loss on Derecognition;	
• Amendments to IFRS 1 – Hedge Accounting for First-Time Adopters of IFRS;	
• Amendments to the Implementation Guidance on IFRS 7 – Introduction;	
• Amendments to the Implementation Guidance on IFRS 7 – Disclosure of Credit Risk;	
• Amendments to IFRS 9 – Transaction Price.	
• IFRS 18 – Presentation and Disclosure in Financial Statements.	1 January 2027
• IFRS 19 – Subsidiaries Without a Public Reporting Obligation: Disclosure Requirements.	1 January 2027

2. BASIC OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

New standards and interpretations not yet effective (continued)

It is expected that these amendments and new standards will not have a material impact on the Bank, except for IFRS 18, in respect of which the Bank is currently in the process of assessing the impact on its separate financial statements.

In April 2024, the IASB issued a new standard, IFRS 18, which will replace IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements, the most significant of which are as follows:

- requirements for the classification of income and expense items in the statement of profit or loss into categories reflecting the nature of the entity's activities: operating, investing, and financing. Entities are also required to present the following subtotals:
  - operating profit or loss;
  - profit or loss before financing activities and income tax.
- requirements to disclose in the financial statements information about management-defined performance measures, including a reconciliation to the most directly comparable totals and subtotals in the statement of profit or loss.
- requirements for the presentation of aggregated and disaggregated information in the primary financial statements and the notes.

IFRS 18 also introduces certain specific changes relating to the statement of cash flows, as well as other amendments.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted. If an entity adopts IFRS 18 early, it is required to disclose that fact.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below are applied consistently to all periods presented in these separate financial statements of the Bank, with certain exceptions noted in Note 2 relating to changes in accounting policies.

Accounting for investments in subsidiaries in separate financial statements

Subsidiaries are investees controlled by the Bank. The Bank controls a subsidiary when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are accounted for at cost in these separate financial statements. When the Bank enters into a loan agreement with a subsidiary at a rate below the market, upon initial recognition, the difference between the fair value of the loan and its nominal value is recognized as an investment in a subsidiary.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Bank at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Foreign currency (continued)

Foreign currency differences arising on retranslation are recognized in profit or loss, unless the difference is due to impairment in which case foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss; a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or qualifying cash flow hedges to the extent that the hedge is effective, which are recognized in other comprehensive income. The exchange rates established by the Kazakhstan Stock Exchange (hereinafter – "KASE") and used in these financial statements are presented below:

	31 December 2025	31 December 2024
Exchange rate at the end of the year		
Tenge/1 US dollar	505.53	525.11
Tenge/1 euro	593.44	546.74
Tenge /1 ruble	6.34	4.88

Financial assets and liabilities

Initial recognition

Date of recognition

All regular way purchases and sales of financial assets and liabilities are recognised on the trade date i.e. the date that the Bank commits to purchase the asset or liability. Regular way purchases or sales are purchases or sales of financial assets and liabilities that require delivery of assets and liabilities within the period generally established by regulation or convention in the marketplace.

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value and, except in the case of financial assets and financial liabilities recorded at FVPL, transaction costs are added to, or subtracted from, this amount.

Measurement categories of financial assets and liabilities

The Bank classifies all of its financial assets based on the business model used for managing the assets and the asset's contractual terms, measured at either:

- amortized cost;
- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVPL).

The Bank classifies and measures its derivative and trading portfolio at FVPL. The Bank may designate financial instruments at FVPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortized cost or at FVPL when they are held for trading, are derivative instruments or the fair value designation is applied.

Amounts due from credit institutions, loans to customers, investments securities at amortized cost

The Bank only measures amounts due from credit institutions, loans to customers and other financial investments at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The details of these conditions are outlined below.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities(continued)

Measurement categories of financial assets and liabilities (continued)

Business model assessment

The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Bank's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- the expected frequency, value and timing of sales are also important aspects of the Bank's business model assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

"Solely payments of principal and interest on the principal amount outstanding" test (*SPPI test*)

As a second step of its classification process the Bank assesses the contractual terms of financial asset to identify whether the cash flows provided by the contract for the asset are solely payments of principal and interest on the principal amount outstanding (that is, it conducts an SPPI test).

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

At the same time, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Debt instruments at FVOCI

According to IFRS 9 the Bank evaluates debt instruments measured at FVOCI when both of the following conditions are met:

- the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset meet the SPPI test.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities (continued)

Measurement categories of financial assets and liabilities (continued)

Debt instruments at FVOCI (continued)

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest revenue and foreign exchange gains and losses are recognized in profit or loss in the same manner as for financial assets measured at amortized cost. On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to profit or loss.

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in other comprehensive income as an accumulated impairment amount. The accumulated loss recognized in OCI is recycled to the profit and loss upon derecognition of the asset.

Equity instruments at FVOCI

Sometimes, the Bank occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains or losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as other income when the right of the payment has been established, except when the Bank benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment. Upon disposal of these instruments, the accumulated revaluation reserve is transferred to retained earnings.

Financial guarantees, letters of credit and undrawn loan commitments

In the normal course of business, the Bank issues financial guarantees, letters of credit and loan commitments.

Financial guarantees are initially recognised in the separate financial statements at fair value, in the amount of the premium received. Financial guarantees are subsequently measured at the higher of: the amount of the loss allowance determined in accordance with IFRS 9, and the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment the Bank is required to provide a loan with pre-specified terms to the customer, if there are no other terms.

The Bank occasionally issues loan commitments at below market interest rates drawdown. Such commitments are initially recognized at fair value and subsequently measured at the higher of the amount of the ECL allowance and the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

Performance guarantees

Performance guarantees are contracts that provide compensation if another party fails to perform a contractual obligation. Performance guarantees do not transfer credit risk. The risk under performance guarantee contracts is the possibility that the failure to perform the contractual obligation by another party occurs. Therefore, performance guarantees are not considered financial instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities (continued)

Measurement categories of financial assets and liabilities (continued)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, amounts due from the National Bank of the Republic of Kazakhstan (hereinafter – "NBRK"), and amounts due from credit institutions that mature within ninety days of the date of origination and are free from contractual obligations. Cash and cash equivalents are measured at amortized cost.

Repurchase and reverse repurchase agreements and securities lending

Sale and repurchase agreements ("repos") are treated as secured financing transactions. Securities sold under sale and repurchase agreements are retained in the separate statement of financial position and, in case the transferee has the right by contract or custom to sell or repledge them, reclassified as securities pledged under sale and repurchase agreements. The corresponding liability is presented within amounts due to credit institutions or customers. Securities purchased under agreements to resell ("reverse repo") are recorded as cash and cash equivalents, amounts due from credit institutions or loans to customers as appropriate. The difference between sale and repurchase price is treated as interest revenue and accrued over the life of repo agreements using the effective interest rate method.

Derivative financial instruments

In the normal course of business, the Bank enters into various derivative financial instruments including short-term swaps in the foreign exchange markets. Such financial instruments are held for trading and are recorded at fair value. The fair values are estimated based on quoted market prices or pricing models that take into account the current market and contractual prices of the underlying instruments and other factors. Derivatives are carried as assets when their fair value is positive and as liabilities when it is negative. Gains and losses resulting from these instruments are included in the separate statement of profit or loss as net gains/(losses) from derivative financial instruments.

Borrowings

Issued financial instruments or their components are classified as liabilities, where the substance of the contractual arrangement results in the Bank having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity instruments. Such instruments include amounts due to the Government, amounts due to credit institutions, amounts due to customers, and debt securities issued. After initial recognition, borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the borrowings are derecognized as well as through the amortization process.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the separate statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The right of set-off must not be contingent on a future event and must be legally enforceable in all of the following circumstances:

- the normal course of business;
- the event of default; and
- the event of insolvency or bankruptcy of the entity and all of the counterparties.

These conditions are not generally met in master netting agreements, and the related assets and liabilities are presented gross in the separate statement of financial position.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities (continued)

Restructured loans

Based on the financial condition of the borrower, the Bank seeks to consider an individual approach to borrowers experiencing temporary financial difficulties. When assessing whether or not to derecognize a loan to a customer, amongst others, the Bank considers the following factors:

- change in currency of the loan;
- change in counterparty;
- if the modification is such that the instrument would no longer meet the SPPI test criterion.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Bank records a modification gain or loss, presented within interest revenue calculated using EIR in the separate statement of profit or loss, to the extent that an impairment loss has not already been recorded.

For modifications not resulting in derecognition, the Bank also reassesses whether here has been a significant increase in credit risk or whether the assets should be classified as credit-impaired. Once an asset has been classified as credit-impaired as the result of modification, it will remain in Stage 3 until expiration of the stabilization period. Stabilization period – the period during which the Bank monitors the credit discipline of the borrower, after the restructuring provided to it due to the deterioration of the financial condition. To transfer a restructured loan from Stage 3, a period of no less than 12 (twelve) consecutive months must pass from the date of the forced restructuring, during which there is no deterioration in the borrower's financial condition.

Impairment assessment

The Bank calculates ECL based on several probability-weighted scenarios to measure the expected cash shortfalls, discounted at the EIR or an approximation to that . A cash shortfall is the difference between the discounted cash flows that are due to an entity in accordance with the contract and the discounted cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Probability of default (PD)	The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
Exposure at default (EAD)	The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
The loss given default (LGD)	The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Offsetting of financial instruments (continued)

Impairment assessment (continued)

The Bank has established a methodology to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Bank groups its loans as described below:

Stage 1:	When loans are first recognised, the Bank recognises an allowance based on 12m ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2:	When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3:	Loans considered credit-impaired. The Bank recognizes an allowance for the LTECL.
Purchased or originated credit-impaired (hereinafter – "POCI") assets:	OCI assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECL are only recognised or released to the extent that there is a subsequent change in the lifetime expected credit losses.

Definition of default and cure

Default factors on loans in the segment of lending to small, medium-sized and corporate businesses include one or more events that have a negative impact on the estimated future cash flows on such a loan (criteria for transition to Stage 3):

- reduction of the borrower's internal credit rating to the D level from the moment of initial recognition;
- issuing to the accounts of the borrower / counterparty, opened in the Bank payment requests, orders if these requirements exceed the amount of the borrower's obligations to the Bank;
- the presence of overdue debt on the principal and / or remuneration of 60 calendar days or more;
- suspension of the accrual of interest on the loan in connection with the deterioration of the financial condition of the borrower;
- loan restructuring due to deterioration in the financial condition of the borrower one or more times in the last twelve months;
- write-off of part or all of the debt of the borrower, which was caused by a significant increase in credit risk from the date of the loan;
- sale of loans with a significant discount;
- the Bank has information about force majeure, as well as other circumstances that caused the borrower / counterparty significant material damage or do not allow it to continue its activities, for example, to revoke a license to carry out activities;
- filing a claim for declaring a borrower as a bankrupt in accordance with the legislation of the Republic of Kazakhstan;
- application of the borrower to the court with a statement of recognition of its bankruptcy in accordance with the legislation of the Republic of Kazakhstan.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities (continued)

Definition of default and cure (continued)

For other financial instruments, with the exception of loans and credit commitments of the nature of legal entities and individuals:

- reduction of the external (established by international rating agencies Standard & Poor's, Moody's, Fitch) counterparty credit rating to the level of "Default";
- significant deterioration of the financial condition of the counterparty to the category "critical" in accordance with the Bank's internal regulatory documents governing the monitoring of counterparty banks and financial institutions;
- the presence of overdue debts in the Bank on principal and / or interest income over three days.

In accordance with the Bank's policy, financial instruments are considered "cured" and, therefore, are transferred from Stage 3, when none of the criteria for the occurrence of a default was observed and provided the counterparty settled the debt, which leads to a decrease in the gross book value of the financial asset at the date of the provisions formation (reserves) to a level equal to or lower than the amount of debt at the time of the transfer of a financial asset from one category to another.

The internal rating and PD estimation process

Models for assigning internal rating levels are developed and applied by the Bank's independent risk department. The models use both quantitative and qualitative information and, in addition to information specific to the borrower, additional information from external sources is also taken into account, which may affect the behaviour of the borrower. Where practicable, information from national and international rating agencies is also used.

Derecognition

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is retained by the Bank is recognised as a separate asset or liability in the separate statement of financial position.

The Bank derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

If the Bank purchases its own debt, it is removed from the separate statement of financial position and the difference between the carrying amount of the liability and the consideration paid is included in gains or losses arising from early retirement of debt.

Leases

Bank as lessee

The Bank applies a uniform approach to the recognition and measurement of all leases other than short-term leases and leases of low value assets. The Bank recognizes lease liabilities for the payment of lease payments and right-of-use assets, which represent the right to use the underlying assets.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets and liabilities (continued)

Leases (continued)

Right-of-use assets

The Bank recognizes right-of-use assets at the commencement date of the lease (i.e. the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and accumulated impairment losses adjusted for revaluation of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments incurred on or before the commencement date of the lease, less lease incentive payments received. If the Bank does not have sufficient assurance that it will obtain title to the leased asset at the end of the lease term, the recognized right-of-use asset is amortized on a straight-line basis over the shorter of the asset's estimated useful life or the lease term. Right-of-use assets are tested for impairment.

Lease liabilities

At the commencement date of the lease the Bank recognizes lease liabilities measured at the present value of the lease payments that will be settled over the lease term. Lease payments include fixed payments (including in effect, fixed payments) less any incentive payments for lease receivable, variable lease payments that depend on an index or rate and amounts expected to be paid under liquidation guarantees cost. Lease payments also include the exercise price of the call option if there is reasonable assurance that the Bank will exercise the option and termination penalties if the lease term reflects the Bank's potential exercise of the option to terminate the lease. Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition occurs that gives rise to such payments.

The Bank uses the incremental borrowing rate at the commencement date in calculation of the present value of lease payments if the interest rate implicit in the lease is not readily available. After the commencement date of the lease the lease liability is increased to reflect the accrual of interest and decreased to reflect the lease payments made. In addition, if there is a modification, a change in the lease term, a change in the substance of the fixed lease payments, or a change in the valuation of an option to purchase the underlying asset, the carrying amount of the lease liability is reassessed.

Short term lease and lease of assets with low value

The Bank applies the short-term lease exemption to short-term lease agreements (i.e. contracts where the expected lease term is 12 months or less at the commencement date and does not contain a call option). The Bank also applies the recognition exemption for leases of low value assets to leases of office equipment that are considered to be of low value (i.e. up to 2,313 thousand tenge). Lease payments for short-term leases and leases of low-value assets are recognized as a lease expense on a straight-line basis over the lease term.

Operating lease - Bank as lessor

Leases for which the Bank does not transfer substantially all of the risks and rewards incidental to ownership of the asset are classified as operating leases. The resulting rental income is recognized on a straight-line basis over the lease term and included in revenue in the income statement due to its operating nature. Initial direct costs incurred in negotiating and entering operating leases are included in the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent lease payments are recognized as revenue in the period in which they are received.

Finance lease - Bank as lessor

The Bank recognizes lease receivables in an amount equal to the net investment in the lease from the commencement date of the lease term. Finance income is calculated using a pattern that reflects a constant periodic rate of return on the carrying amount of the net investment. Initial direct costs are included in the initial amount of the lease receivable.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Property and equipment

In the separate financial statements items of property and equipment are stated at cost less accumulated depreciation and impairment losses, except for land and buildings, which are stated at revalued amounts as described below.

Where an item of property and equipment comprise major components having different useful lives, they are accounted for as separate items of property and equipment.

Revaluation

Land and buildings are subject to revaluation on a regular basis. The frequency of revaluation depends on the movements in the fair values of the land and buildings being revalued. A revaluation increase on the land and building is recognized as other comprehensive income except to the extent that it reverses a previous revaluation decrease recognized in profit or loss, in which case it is recognized in profit or loss. A revaluation decrease on the land and building is recognized in profit or loss except to the extent that it reverses a previous revaluation increase recognized as other comprehensive income directly in equity, in which case it is recognized in other comprehensive income.

Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets. Depreciation commences monthly, starting from the month following the month of putting the facility into operation, in respect of internally constructed assets, from the time an asset is completed and ready for use. Land is not depreciated.

The estimated useful lives of different types of property and equipment are as follows:

Buildings	67 years
Motor vehicles	10 years
Computer and banking equipment	4 to 10 years
Leasehold improvements	lease term
Other	5 to 20 years

Intangible assets

Acquired intangible assets, which include the software, are stated at cost less accumulated amortization and impairment losses.

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful lives range from 1 to 20 years.

Assets classified as held for sale

Non-current assets, which include assets and liabilities that are expected to be recovered principally through a sale transaction rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets or components of a disposal group are revalued in accordance with the Bank's accounting policies. Accordingly, assets or disposal groups are measured at the lower of the carrying amount or fair value less costs to sell.

Investment property

Investment properties are properties held for rent, capital appreciation in one case or another. Investment properties are initially recognized at cost, including acquisition costs. Subsequently, they are carried at fair value. Changes in the fair value of investment property are included in profit or loss in the period in which they occur.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Investment property (continued)

The investment property is derecognized upon disposal and when it is no longer expected to receive economic benefits. Any gain or loss on disposal of an object (the difference between the net proceeds from the disposal and the carrying amount of the asset) is included in profit or loss over the period of disposal.

Transfers to or from investment real estate are made if and only if there is a change in the nature of the use of real estate. When transferring from an investment property to an owner-occupied property, the notional initial value for subsequent accounting purposes is the fair value at the time the change in use is made. If the owner-occupied property becomes an investment property, the Bank accounts for such property in accordance with the fixed assets accounting policy until the change in the purpose of use.

Impairment of non-financial assets

Non-financial assets, other than deferred taxes, are assessed at each reporting date for any indications of impairment. The recoverable amount of goodwill is estimated at each reporting date. The recoverable amount of non-financial assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognized when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

All impairment losses on non-financial assets are recognized in profit or loss and only reversed if there has been a change in the estimates used to determine the recoverable amount. Any impairment loss on an asset is reversed to the extent that the asset's carrying amount does not exceed the carrying amount (net of amortization and depreciation) that would have been had the impairment loss not been recognized in the separate financial statements.

Provisions

A provision is recognized in the separate statement of financial position when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Credit related commitments

In the normal course of business, the Bank enters into credit related commitments, comprising undrawn loan commitments, letters of credit and guarantees, and provides other forms of credit insurance.

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

A financial guarantee liability is recognized initially at fair value net of associated transaction costs and is measured subsequently at the higher of the amount initially recognized less cumulative amortization or the amount of provision for losses under the guarantee. Provisions for losses under financial guarantees and other credit related commitments are recognized when losses are considered probable and can be measured reliably.

Financial guarantee liabilities and provisions for other credit related commitment are included in other liabilities.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Credit related commitments (continued)

Loan commitments are not recognized, except in the following cases:

- loan commitments that the Bank designates as financial liabilities at fair value through profit or loss for the period;
- if the Bank has a past practice of selling the assets resulting from its loan commitments shortly after origination, then the loan commitments in the same class are treated as derivative instruments;
- loan commitments that can be settled net in cash or by delivering or issuing another financial instrument;
- commitments to provide a loan at a below-market interest rate.

Environmental Protection and Climate Change Matters

Management believes that the impact of recent amendments to climate and environmental regulations will not have a material effect on the Bank's separate financial statements. As of now, the Bank complies with all applicable environmental, public health, and safety laws and regulations. As at 31 December 2025, the Bank had not been subject to any environmental claims and had not identified any onerous contracts related to climate matters.

The Bank considers itself to belong to the fourth category of objects, indicating a minimal negative impact on the environment and does not create provisions related to environmental risks.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Preference share capital

Preference share capital that is non-redeemable and carries no mandatory dividends is classified as equity.

The component of the preference shares that exhibits characteristics of a liability is recognised as a liability in the separate statement of financial position, net of transaction costs. The corresponding cumulative dividends on those shares are charged as interest expense in the separate statement of profit or loss and other comprehensive income. On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on redemption.

Treasury share capital

When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a decrease in equity.

Dividends

The ability of the Bank to declare and pay dividends is subject to the rules and regulations of the legislation of the Republic of Kazakhstan (Note 28).

Dividends in relation to ordinary shares are reflected in the separate financial statements, as an appropriation of retained earnings in the period when they are declared.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Taxation

Corporate income tax includes current and deferred corporate income tax. Corporate income tax is recognized in profit or loss except to the extent that it relates to items of other comprehensive income or transactions with shareholders recognized directly in equity, in which case it is recognized within other comprehensive income or directly within equity.

Current corporate income tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are not recognized for the following temporary differences: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that effect neither accounting nor taxable profit and temporary differences related to investments in subsidiaries where the parent is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow the manner in which the Bank expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences, unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that taxable profit will be available against which the deductible temporary differences can be utilized.

Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.

Interest and similar revenue and expenses

The Bank calculates interest revenue on debt financial assets measured at amortized cost or at FVOCI by applying the EIR to the gross carrying amount of financial assets other than credit-impaired. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Bank revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as interest revenue or expense.

In the case of a financial asset that becomes credit-impaired, the Bank calculates interest income by applying the effective interest rate to the net amortized cost of that financial asset. If a financial asset clears default and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Recognition of income and expenses (continued)

Interest and similar revenue and expenses (continued)

For POCI financial assets, the Bank calculates interest income using the credit risk-adjusted effective interest rate on the amortized cost of the financial asset. The effective interest rate, adjusted for credit risk, is the rate that, at initial recognition, discounts estimated future cash flows (including credit losses) to the amortized cost of the POCI assets.

Interest income on all financial assets measured at FVPL is recognized using the contractual interest rate as part of “Other interest income” in the separate statement of profit or loss.

Fee and commission income

The Bank earns fee and commission income from a diverse range of services it provides to its customers. Fee income can be divided into the following two categories:

Fee income earned from services that are provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period as respective performance obligations are satisfied. These fees include commission income and asset management, custody and other management and advisory fees. Loan commitment fees for loans that are likely to be drawn down and other credit related fees are deferred (with markup) and recognized as an adjustment to the effective interest rate on the loan.

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party – such as where the Bank’s performance obligation is the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognized on completion of the underlying transaction. Fees or components of fees that are linked to certain performance obligations are recognized after fulfilling the corresponding criteria. When the contract provides for a variable consideration, fee and commission income is only recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur until the uncertainty associated with the variable consideration is subsequently resolved.

Other income

Dividend income is recognized in profit or loss on the date that the dividend is declared. Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

Segment reporting

An operating segment is a component of a Bank that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same Bank); whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Bank’s operations are highly integrated and constitute one operating business segment for the purposes of IFRS 8 Operating Segments.

4. NET INTEREST INCOME

In thousands of tenge	**2025**	2024
Interest income calculated using effective interest rate (hereinafter – "EIR")		
Loans to customers	49,801,053	40,369,213
Financial assets at FVOCI	9,772,811	10,236,257
Cash and cash equivalents	6,721,362	7,964,185
Debt securities at amortized cost	1,838,554	1,172,742
Total interest income calculated using EIR	**68,133,780**	**59,742,397**
Financial assets at FVPL	734	970
Other interest income	**734**	**970**
Interest expense		
Amounts due to customers	(34,005,907)	(29,649,272)
Subordinated debt	(5,700,950)	(4,780,192)
Debt securities issued	(1,095,000)	(1,095,000)
Amounts payable under repurchase agreements	(237,325)	(33,901)
Amounts due to banks and other credit institutions	(249,237)	(118,407)
Interest expense on finance lease (Note 26)	(150,286)	(180,364)
Interest expenses	**(41,438,705)**	**(35,857,136)**
Net interest income	**26,695,809**	**23,886,231**

5. EXPECTED CREDIT LOSSES INCOME/ (EXPENSES)

The table below summarizes the ECL income/ (expenses) for financial assets reflected in the separate statement of profit or loss and other comprehensive income for the year ended 31 December 2025 and 2024:

In thousands of tenge	Note	**2025**			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
Cash and cash equivalents	13	4,984	–	–	**4,984**
Debt securities at amortized cost	14	(2,405)	–	–	**(2,405)**
Financial assets at FVOCI	15	(53,120)	–	–	**(53,120)**
Due from banks and other credit institutions	16	(24,507)	–	–	**(24,507)**
Loans to customers	17	1,240,600	633,834	(2,092,195)	**(217,761)**
Other financial assets	21	–	–	(1,627,406)	**(1,627,406)**
Financial guarantees	27	–	–	2,263,670	**2,263,670**
Total expected credit losses income/ (expenses)		**1,165,552**	**633,834**	**(1,455,931)**	**343,455**

In thousands of tenge	Note	**2024**			
		Stage 1	**Stage 2**	**Stage 3**	**Total**
Cash and cash equivalents	13	(2,900)	–	–	**(2,900)**
Debt securities at amortized cost	14	60,946	–	–	**60,946**
Financial assets at FVOCI	15	103,787	–	–	**103,787**
Due from banks and other credit institutions	16	(8,904)	–	–	**(8,904)**
Loans to customers	17	(4,053,515)	495,231	1,034,643	**(2,523,641)**
Other financial assets	21	–	–	(7,032,493)	**(7,032,493)**
Financial guarantees	27	–	–	4,057,603	**4,057,603**
Total expected credit losses income/ (expenses)		**(3,900,586)**	**495,231**	**(1,940,247)**	**(5,345,602)**

6. NET FEE AND COMMISSION INCOME

In thousands of tenge	2025	2024
Fee and commission income		
Bank cards fees	6,451,312	8,360,250
Transfer operations	3,010,640	4,231,237
Guarantee and letter of credit issuance fees	795,754	791,340
Foreign exchange fees	728,539	916,707
Cash withdrawal fees	544,585	657,521
Cash collection fees	29,917	18,600
Agents' services fees	15,467	18,903
Other	147,312	21,799
Total fee and commission income	**11,723,526**	**15,016,357**
Fee and commission expense		
Bank cards fees	(7,286,566)	(10,436,477)
Transfer operations	(348,364)	(467,231)
Guarantee and letter of credit issuance fees	(52,285)	(28,043)
Operations with securities	(5,930)	(4,138)
Other	(21,680)	(15,680)
Total fee and commission expense	**(7,714,825)**	**(10,951,569)**
Net fee and commission income	**4,008,701**	**4,064,788**

7. NET GAIN/ (LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In thousands of tenge	2025	2024
Gain/ (loss) from swap operations	4,320,920	(2,018,072)
Profit on operations with debt financial instruments	760	1,172
	4,321,680	**(2,016,900)**

8. NET FOREIGN EXCHANGE GAIN

In thousands of tenge	2025	2024
Net dealing transactions gain	5,091,329	5,687,630
Net exchange difference from revaluation	(1,319,077)	4,218,571
	3,772,252	**9,906,201**

9. OTHER OPERATING INCOME, NET

In thousands of tenge	2025	2024
Other income from non-core activities	140,441	104,680
Other income from banking activities	106,233	23,171
Income from the sale of foreclosed property	18,634	11,552
Income from the sale of property and equipment and intangible assets	14,071	2,217
Rental income from investment properties (Note 19)	26,437	52,813
	305,816	**194,433**

10. PERSONNEL EXPENSES

In thousands of tenge	2025	2024
Salaries and other payments	(12,144,749)	(8,734,196)
Taxes and other deductions on salaries	(1,630,695)	(1,032,668)
	(13,775,444)	**(9,766,864)**

11. GENERAL AND ADMINISTRATIVE EXPENSES

In thousands of tenge	**2025**	2024
Information and telecommunications services	(1,471,239)	(857,538)
Depreciation and amortization	(1,399,855)	(1,209,317)
Deposit insurance	(1,201,033)	(652,389)
Taxes other than corporate income tax	(676,601)	(520,283)
Security	(490,805)	(506,479)
Advertising and marketing	(362,067)	(277,850)
Professional services	(337,356)	(400,382)
Other insurance	(327,328)	(236,275)
Charity and sponsorship	(310,271)	(326,710)
Repairs and maintenance	(258,989)	(196,839)
Cash collection services	(252,254)	(239,594)
Transportation expenses	(232,230)	(177,852)
Operating lease expenses	(220,927)	(240,539)
Office supplies	(205,604)	(98,115)
Utilities	(197,119)	(178,186)
Travel expenses	(64,341)	(52,260)
Postage and courier expenses	(57,239)	(59,204)
Other	(535,229)	(271,537)
	(8,600,487)	**(6,501,349)**

12. CORPORATE INCOME TAX EXPENSES

Corporate income tax expenses (hereinafter – “CIT”) include the following items:

In thousands of tenge	**2025**	2024
Current corporate income tax expenses	(2,195,274)	–
Deferred corporate income tax expense	(3,911,101)	(316,359)
Total corporate income tax (expense)/ benefit	**(6,106,375)**	**(316,359)**

The following is a reconciliation between the CIT expense applicable to profits before CIT in the Republic of Kazakhstan at the current rate of 20% in 2025 (2024: 20%) on all income, excluding interest on government securities at the rate of 10% (2024: nil), and the current CIT expense for the years ended 31 December:

In thousands of tenge	**2025**	2024
Profit before corporate income tax	**17,620,175**	**13,336,731**
Statutory tax rate	20%	20%
Theoretical corporate income tax expense, calculated at the statutory rate	**3,524,035**	**2,667,346**
Non-deductible expenses for provisions charges	972,478	25,710
Non-taxable income from state securities and securities included in the official listing of KASE	(610,166)	(2,276,164)
Change in unrecognized deferred tax assets	2,529,136	–
Non-deductible provisions on loans issued to OMDA NB LLP	(282,125)	(135,391)
Other (non taxable income)/ non-deductible expenses	(26,983)	34,858
Corporate income tax expenses	**6,106,375**	**316,359**

Deferred tax asset and deferred tax liabilities

On 18 July 2025, a new Tax Code was approved, effective from 1 January 2026, according to which, the corporate income tax rate for second-tier banks, effective that date, is 20% and 25%, depending on the type of transaction. As at 31 December 2025, the Bank took these changes into account when calculating deferred corporate income tax.

Temporary differences arising between the carrying amounts of assets and liabilities recognized in the separate financial statements and the amounts used for tax purposes result in net deferred tax assets as at 31 December 2025 and 2024.

12. CORPORATE INCOME TAX (BENEFIT)/ EXPENSES (CONTINUED)

Deferred tax asset and deferred tax liabilities (continued)

Future tax savings will only be realized if the Bank generates profit against which the unused tax loss can be utilized, and if there are no changes in the legislation of the Republic of Kazakhstan that adversely affect the Bank's ability to utilize these savings in future periods. These future tax savings are partially recognized in the separate financial statements due to the uncertainty associated with their realization. The period of utilization of temporary differences that reduce the taxable base for corporate income tax is not limited by the current tax legislation of the Republic of Kazakhstan. Deferred tax assets were recognized in full in respect of tax losses for 2020. In 2025, the tax losses were fully utilized.

Movements in temporary differences during 2025 and 2024 are presented as follows.

In thousands of tenge	**As at 31 December 2023**	**Recognized in profit or loss**	**As at 31 December 2024**	**Recognized in profit or loss**	**As at 31 December 2025**
Other liabilities	190,738	28,553	219,291	125,577	344,868
Tax losses carry forward	3,886,167	(620,494)	3,265,673	(3,265,673)	–
Deferred tax assets	**4,076,905**	**(591,941)**	**3,484,964**	**(3,140,096)**	**344,868**
Financial assets at FVOCI	(22,488)	104,821	82,333	(994,125)	(911,792)
Property and equipment and intangible assets	(956,653)	(34,891)	(991,544)	141,058	(850,486)
Discount on subordinated bonds	(5,483,988)	205,652	(5,278,336)	82,062	(5,196,274)
Deferred tax liabilities	**(6,463,129)**	**275,582**	**(6,187,547)**	**(771,005)**	**(6,958,552)**
Total deferred tax liabilities	**(2,386,224)**	**(316,359)**	**(2,702,583)**	**(3,911,101)**	**(6,613,684)**

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following items:

In thousands of tenge	**31 December 2025**	31 December 2024
Cash on hand	**8,175,711**	13,401,412
Nostro accounts with the NBRK	**21,269,657**	11,536,615
Term deposits with the NBRK	–	40,061,424
Overnight deposits with the NBRK	**18,700,000**	29,500,000
Nostro accounts with other banks		
rated AA- to AA+	2,847,884	4,613,085
rated A- to A+	422,872	1,419,621
rated BBB- to BBB+	1,190,765	482,503
rated from BB- to BB+	276,979	117,073
not rated	308,992	1,607,743
Total nostro accounts with other banks	**5,047,492**	**8,240,025**
Cash equivalents – Term deposits with other banks		
rated from AA- to AA+	–	94,422
rated from BBB- to BBB+	6,156,138	–
Total term deposits with other banks	**6,156,138**	**94,422**
Reverse repurchase agreements	**–**	10,006,781
Total cash and cash equivalents	**59,348,998**	**112,840,679**
Less allowance for expected credit losses	(2,176)	(7,160)
Total cash and cash equivalents	**59,346,822**	**112,833,519**

The above table is based on the credit ratings assigned by Standard & Poor's or other agencies converted into Standard & Poor's scale.

13. CASH AND CASH EQUIVALENTS (CONTINUED)

As at 31 December 2025 and 2024, the Bank did not place funds with other second-tier banks, which account for more than 10% of capital. All balances of cash and cash equivalents are allocated to Stage 1.

The exposure to foreign currency risk is disclosed in Note 30.

An analysis of changes in the allowance for ECL during the 2025 and 2024 is as follows:

In thousands of tenge	**Stage 1**
Allowance for ECL as at 1 January 2024	**(4,260)**
Changes in ECL (Note 5)	(2,900)
Allowance for ECL as at 31 December 2024	**(7,160)**
Changes in ECL (Note 5)	4,984
Allowance for ECL as at 31 December 2025	**(2,176)**

Collateral

As at 31 December 2025 and 2024, amounts receivable under reverse repurchase agreements were collateralised by the following securities at fair value:

In thousands of tenge	**31 December 2025**	31 December 2024
Treasury bills of the Ministry of finance of the Republic of Kazakhstan	–	10,026,794
	–	**10,026,794**

Minimum reserve requirements

In accordance with regulations issued by the NBRK, minimum reserve requirements are calculated as a total of specified proportions of different groups of bank's liabilities. Banks are required to comply with these requirements by maintaining average reserve assets (local currency cash and NBRK balances) equal or more than the average minimum requirements.

As at 31 December 2025, the minimum reserve requirements are amounted to 25,723,845 thousand tenge (31 December 2023: 8,093,293 thousand tenge).

14. DEBT SECURITIES AT AMORTIZED COST

Debt securities measured at amortized cost, net of allowance for ECL, consisted of the following:

In thousands of tenge	**31 December 2025**	31 December 2024
Debt instruments - government bonds		
Eurobonds of the Ministry of finance of the Republic of Kazakhstan	39,917,111	41,774,433
Coupon bonds	5,544,556	–
Total government bonds	**45,461,667**	**41,774,433**
Less allowance for expected credit losses	(130,014)	(132,585)
Total debt securities measured at amortized cost	**45,331,653**	**41,641,848**

As at 31 December 2025, Eurobonds of the Ministry of finance of the Republic of Kazakhstan in the amount of 25,085,523 thousand tenge are collateral for loans received from Damu Entrepreneurship Development Fund JSC (hereinafter – "Damu") (31 December 2024: 15,505,536 thousand tenge).

14. FINANCIAL ASSETS AT AMORTISED COST (CONTINUED)

The table below presents an analysis of changes in gross carrying amount and related allowance for ECL for debt securities measured at amortized cost:

Debt securities at amortized cost

In thousands of tenge	**Total**
Net carrying amount as at 1 January 2024	**36,423,213**
Accrued coupon interest	1,440,583
Received coupon interest	(1,394,840)
Premium amortization (recognized in interest income)	(269,766)
Foreign exchange adjustments	5,575,243
Net carrying amount as at 31 December 2024	**41,774,433**
Newly created or acquired assets	5,000,000
Accrued coupon interest	2,145,519
Received coupon interest	(1,613,658)
Premium amortization (recognized in interest income)	(309,004)
Foreign exchange adjustments	(1,535,623)
Net carrying amount as at 31 December 2025	**45,461,667**

Allowance for ECL on debt securities at amortized cost

In thousands of tenge	**Total**
Allowance for ECL as at 1 January 2024	**(172,121)**
Change in risk models/parameters	60,946
Foreign exchange adjustments	(21,410)
Allowance for ECL as at 31 December 2024	**(132,585)**
Change in risk models/parameters	(2,405)
Foreign exchange adjustments	4,976
Allowance for ECL as at 31 December 2025	**(130,014)**

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

In thousands of tenge	**31 December 2025**	31 December 2024
Debt instruments - government bonds		
Treasury bills of the Ministry of finance of the Republic of Kazakhstan	49,275,802	64,157,493
Indexed coupon bonds of Kazakhstan Sustainability Fund JSC	8,570,449	14,120,653
Eurobonds of the Ministry of finance of the Republic of Kazakhstan	4,759,447	10,881,213
Total government bonds	**62,605,698**	**89,159,359**
Bonds of corporations and financial institutions		
rated A- to A+	380,883	386,695
rated from BBB- to BBB+	–	1,526,579
rated from BB- to BB+	1,529,684	–
not rated	8,753,478	236,132
Total bonds of corporations and financial institutions	**10,664,045**	**2,149,406**
Total debt instruments	**73,269,743**	**91,308,765**
Equity instruments - corporate shares		
not rated	2,694	2,694
Total equity instruments	**2,694**	**2,694**
	73,272,437	**91,311,459**

The credit ratings are presented by reference to the credit ratings of Standard & Poor's or other agencies converted into Standard & Poor's scale.

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

The table below presents represents an analysis of changes in gross carrying amount and related alowance for ECL on debt securities measured at FVOCI:

Debt securities measured at FVOCI

In thousands of tenge	**Stage 1**
Gross carrying amount as of 1 January 2024	**63,302,574**
New assets originated or purchased	33,093,307
Assets redeemed	(8,630,364)
Discount amortization (recognized in interest income)	1,606,562
Foreign exchange adjustments	1,936,686
Gross carrying amount as at 31 December 2024	**91,308,765**
New assets originated or purchased	14,555,108
Assets redeemed	(33,264,572)
Discount amortization (recognized in interest income)	260,484
Foreign exchange adjustments	409,958
Gross carrying amount as at 31 December 2025	**73,269,743**

Allowance for ECL on debt securities at FVOCI

In thousands of tenge	**Stage 1**
Allowance for ECL as at 1 January 2024	**(497,418)**
Change in risk models/parameters	167,088
New assets originated or purchased	(63,781)
Assets redeemed	480
Foreign exchange adjustments	(36,139)
Allowance for ECL as at 31 December 2024	**(429,770)**
Change in risk models/parameters	(26,950)
New assets originated or purchased	(26,393)
Assets redeemed	223
Foreign exchange adjustments	8,531
Allowance for ECL as at 31 December 2025	**(474,359)**

16. AMOUNTS DUE FROM CREDIT INSTITUTIONS

In thousands of tenge	**31 December 2025**	31 December 2024
Conditional deposit with the NBRK	144,771	451,560
Other deposits and balances:		
rated A- to A+	1,939,719	–
rated BBB- to BBB+	7,593	4,029,694
rated BB- to BB+	6,045,233	5,451,288
rated B- to B+	13,053,458	–
Total amounts due from credit institutions	**21,190,774**	**9,932,542**
Less allowance for expected credit losses	(33,427)	(8,920)
	21,157,347	**9,923,622**

The above table is based on the credit ratings assigned by Standard & Poor's or other agencies converted into Standard & Poor's scale.

Conditional deposit

As at 31 December 2025, funds in the amount of 124,030 thousand tenge (31 December 2024: 89,372 thousand tenge) were received from the Development Bank of Kazakhstan JSC (hereinafter – "DBK") in accordance with the loan agreement.

As at 31 December 2025, funds in the amount of 20,741 thousand tenge (31 December 2024: 362,188 thousand tenge) were received from Damu in accordance with the loan agreement.

Funds on conditional deposit with NBRK will be distributed to medium and small businesses on preferential terms. These funds may be withdrawn from the conditional deposit only after approval of DBK or Damu within the amount of the deposit received from each of these financial institutions.

The table below presents an analysis of the changes in gross carrying amount for the years ended 31 December 2025 and 2024:

In thousands of tenge	**Stage 1**
Gross carrying amount at 1 January 2024	**4,490,935**
New assets originated or purchased	9,723,488
Assets redeemed	(5,596,608)
Transfers	160,571
Foreign exchange adjustments	1,154,156
As at 31 December 2024	**9,932,542**
New assets originated or purchased	37,462,892
Assets redeemed	(25,962,945)
Transfers	(10,130)
Foreign exchange adjustments	(231,585)
As at 31 December 2025	**21,190,774**

Amounts due from credit institutions are classified to Stage 1. Below is an analysis of changes in allowances for ECL:

In thousands of tenge	**Stage 1**
Allowance for ECL as at 1 January 2024	**(16)**
Changes in ECL (Note 5)	(8,904)
Allowance for ECL as at 31 December 2024	**(8,920)**
Changes in ECL (Note 5)	(24,507)
Allowance for ECL as at 31 December 2025	**(33,427)**

17. LOANS TO CUSTOMERS

In thousands of tenge	**31 December 2025**	31 December 2024
Loans to corporate customers		
Loans to large corporates	189,534,102	154,950,314
Loans to small and medium size companies	121,255,916	83,460,907
Total loans to corporate customers	**310,790,018**	**238,411,221**
Loans to retail customers		
Consumer loans	30,445,237	32,061,713
Mortgage loans	19,602,893	7,790,716
Credit cards	42,513	58,315
Total loans to retail customers	**50,090,643**	**39,910,744**
Total loans to customers before allowance for ECL	**360,880,661**	**278,321,965**
Less: allowance for ECL	(34,970,281)	(40,658,922)
Loans to customers net of allowance for ECL	**325,910,380**	**237,663,043**

Gross carrying amount and allowance for ECL on loans to customers

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to large corporates during the year ended 31 December 2025 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to large corporates				
Gross carrying amount as at 1 January 2025	**129,696,291**	**236,944**	**25,017,079**	**154,950,314**
New assets originated or purchased	235,861,926	–	–	**235,861,926**
Assets derecognized or redeemed (excluding write-offs)	(191,998,476)	(272,463)	(4,026,980)	**(196,297,919)**
Transfers to Stage 1	1,762,762	(1,762,762)	–	**–**
Transfers to Stage 2	(2,337,076)	2,337,076	–	**–**
Transfers to Stage 3	–	(538,795)	538,795	**–**
Amounts written-off	–	–	(4,826,017)	**(4,826,017)**
Foreign exchange adjustments	(147,869)	–	(6,333)	**(154,202)**
As at 31 December 2025	**172,837,558**	**–**	**16,696,544**	**189,534,102**

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to large corporates				
Allowance for ECL as at 1 January 2025	**(6,286,235)**	**(59,945)**	**(12,223,641)**	**(18,569,821)**
New assets originated or purchased	(4,441,342)	–	–	**(4,441,342)**
Assets derecognized or redeemed (excluding write-offs)	6,426,100	57,667	1,428,305	**7,912,072**
Transfers to Stage 1	(236,378)	236,378	–	**–**
Transfers to Stage 2	247,817	(247,817)	–	**–**
Transfers to Stage 3	–	13,717	(13,717)	**–**
Impact on period end ECL of exposures transferred between stages during the period	*11,439*	*2,278*	*(13,717)*	**–**
Change in risk models/parameters and additional allowance accrual	–	–	(2,235,418)	**(2,235,418)**
Amounts written-off	–	–	4,826,017	**4,826,017**
Foreign exchange adjustments	28,582	–	6,055	**34,637**
As at 31 December 2025	**(4,261,456)**	–	**(8,212,399)**	**(12,473,855)**

17. LOANS TO CUSTOMERS (CONTINUED)

Gross carrying amount and allowance for expected credit losses on loans to customers (continued)

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to large corporates during the year ended 31 December 2024 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to large corporates				
Gross carrying amount as at 1 January 2024	**115,383,993**	**4,017,791**	**47,682,949**	**167,084,733**
New assets originated or purchased	93,252,414	–	–	**93,252,414**
Assets derecognized or redeemed (excluding write-offs)	(79,820,807)	(575,779)	(10,717,951)	**(91,114,537)**
Transfers to Stage 1	–	–	–	–
Transfers to Stage 2	–	–	–	–
Transfers to Stage 3	(3,624,369)	(3,205,068)	6,829,437	–
Amounts written-off	–	–	(18,878,107)	**(18,878,107)**
Foreign exchange adjustments	4,505,060	–	100,751	**4,605,811**
As at 31 December 2024	**129,696,291**	**236,944**	**25,017,079**	**154,950,314**

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to large corporates				
Allowance for ECL as at 1 January 2024	**(4,200,799)**	**(1,874,252)**	**(29,770,707)**	**(35,845,758)**
New assets originated or purchased	(3,519,144)	–	–	**(3,519,144)**
Assets derecognized or redeemed (excluding write-offs)	1,178,665	480,693	6,105,087	**7,764,445**
Transfers to Stage 1	–	–	–	–
Transfers to Stage 2	–	–	–	–
Transfers to Stage 3	72,436	1,156,614	(1,229,050)	–
Impact on period end ECL of exposures transferred between stages during the period	*72,436*	*1,156,614*	*(1,229,050)*	–
Change in risk models/parameters	601,090	177,000	(6,109,317)	**(5,331,227)**
Amounts written-off	–	–	18,878,107	**18,878,107**
Foreign exchange adjustments	(418,483)	–	(97,761)	**(516,244)**
As at 31 December 2024	**(6,286,235)**	**(59,945)**	**(12,223,641)**	**(18,569,821)**

17. LOANS TO CUSTOMERS (CONTINUED)

Gross carrying amount and allowance for expected credit losses on loans to customers (continued)

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to small and medium size companies during the year ended 31 December 2025 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium size companies				
Gross carrying amount as at 1 January 2025	**66,097,784**	**1,720,463**	**15,642,660**	**83,460,907**
New assets originated or purchased	82,715,937	–	–	**82,715,937**
Assets derecognized or redeemed (excluding write-offs)	(41,428,217)	(957,091)	(2,301,735)	**(44,687,043)**
Transfers to Stage 1	24,510	(24,510)	–	–
Transfers to Stage 2	(4,644,915)	5,940,658	(1,295,743)	–
Transfers to Stage 3	(3,547,528)	(146,265)	3,693,793	–
Amounts written-off	–	–	(233,885)	**(233,885)**
As at 31 December 2025	**99,217,571**	**6,533,255**	**15,505,090**	**121,255,916**

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium size companies				
Allowance for ECL as at 1 January 2025	**(3,956,996)**	**(564,360)**	**(7,771,724)**	**(12,293,080)**
New assets originated or purchased	(1,880,957)	–	–	**(1,880,957)**
Assets derecognized or redeemed (excluding write-offs)	753,256	547,014	307,704	**1,607,974**
Transfers to Stage 1	(2,711)	2,711	–	–
Transfers to Stage 2	265,299	(489,689)	224,390	–
Transfers to Stage 3	97,082	7,064	(104,146)	–
Impact on period end ECL of exposures transferred between stages during the period	*359,670*	*(479,914)*	*120,244*	–
Change in risk models/parameters and additional allowance accrual	–	–	(1,853,125)	**(1,853,125)**
Amounts written-off	–	–	233,885	**233,885**
As at 31 December 2025	**(4,725,027)**	**(497,260)**	**(8,963,016)**	**(14,185,303)**

17. LOANS TO CUSTOMERS (CONTINUED)

Gross carrying amount and allowance for expected credit losses on loans to customers (continued)

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to small and medium size companies during the year ended 31 December 2024 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium size companies				
Gross carrying amount as at 1 January 2024	**71,297,012**	**2,442,409**	**15,291,071**	**89,030,492**
New assets originated or purchased	29,473,519	–	–	**29,473,519**
Assets derecognized or redeemed (excluding write-offs)	(31,025,704)	(797,822)	(1,607,535)	**(33,431,061)**
Transfers to Stage 1	303,128	(20,101)	(283,027)	**–**
Transfers to Stage 2	(1,425,626)	1,552,587	(126,961)	**–**
Transfers to Stage 3	(2,586,064)	(1,456,610)	4,042,674	**–**
Amounts written-off	–	–	(1,674,000)	**(1,674,000)**
Foreign exchange adjustments	61,519	–	438	**61,957**
As at 31 December 2024	**66,097,784**	**1,720,463**	**15,642,660**	**83,460,907**

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium size companies				
Allowance for ECL as at 1 January 2024	**(4,564,045)**	**(327,884)**	**(9,052,797)**	**(13,944,726)**
New assets originated or purchased	(1,237,118)	–	–	**(1,237,118)**
Assets derecognized or redeemed (excluding write-offs)	1,002,715	8,533	814,727	**1,825,975**
Transfers to Stage 1	(14,048)	4,425	9,623	**–**
Transfers to Stage 2	263,583	(267,924)	4,341	**–**
Transfers to Stage 3	607,942	28,869	(636,811)	**–**
Impact on period end ECL of exposures transferred between stages during the period	*857,477*	*(234,630)*	*(622,847)*	**–**
Change in risk models/parameters	(14,720)	(10,379)	(584,798)	**(609,897)**
Amounts written-off	–	–	1,674,000	**1,674,000**
Foreign exchange adjustments	(1,305)	–	(9)	**(1,314)**
As at 31 December 2024	**(3,956,996)**	**(564,360)**	**(7,771,724)**	**(12,293,080)**

17. LOANS TO CUSTOMERS (CONTINUED)

Gross carrying amount and allowance for expected credit losses on loans to customers (continued)

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to retail customers during the year ended 31 December 2025 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to retail customers				
Gross carrying amount as at 1 January 2025	**28,208,064**	**262,140**	**11,440,540**	**39,910,744**
New assets originated or purchased	21,785,618	–	–	**21,785,618**
Assets derecognized or redeemed (excluding write-offs)	(10,558,594)	(94,725)	(138,950)	**(10,792,269)**
Transfers to Stage 1	418,784	(123,708)	(295,076)	–
Transfers to Stage 2	(833,025)	1,107,487	(274,462)	–
Transfers to Stage 3	(1,967,051)	(171,628)	2,138,679	–
Amounts written-off	–	–	(801,254)	**(801,254)**
Foreign exchange adjustments	–	–	(12,196)	**(12,196)**
As at 31 December 2025	**37,053,796**	**979,566**	**12,057,281**	**50,090,643**

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to retail customers				
Allowance for ECL as at 1 January 2025	**(1,384,734)**	**(137,282)**	**(8,274,005)**	**(9,796,021)**
New assets originated or purchased	(237,518)	–	–	**(237,518)**
Assets derecognized or redeemed (excluding write-offs)	621,061	29,153	260,339	**910,553**
Transfers to Stage 1	(296,035)	51,898	244,137	–
Transfers to Stage 2	18,433	(153,885)	135,452	–
Transfers to Stage 3	93,372	22,121	(115,493)	–
Impact on period end ECL of exposures transferred between stages during the period	*(184,230)*	*(79,866)*	*264,096*	–
Amounts written-off	–	–	801,254	**801,254**
Foreign exchange adjustments	–	–	10,609	**10,609**
As at 31 December 2025	**(1,185,421)**	**(187,995)**	**(6,937,707)**	**(8,311,123)**

An analysis of changes in the gross carrying value and corresponding allowance for ECL in relation to loans to retail customers during the year ended 31 December 2024 is as follows:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to retail customers				
Gross carrying amount as at 1 January 2024	**29,898,659**	**294,446**	**10,547,444**	**40,740,549**
New assets originated or purchased	10,155,579	–	–	**10,155,579**
Assets derecognized or redeemed (excluding write-offs)	(9,247,024)	(115,484)	(1,551,811)	**(10,914,319)**
Transfers to Stage 1	342,113	(103,089)	(239,024)	–
Transfers to Stage 2	(426,118)	494,576	(68,458)	–
Transfers to Stage 3	(2,515,145)	(308,309)	2,823,454	–
Amounts written-off	–	–	(112,722)	**(112,722)**
Foreign exchange adjustments	–	–	41,657	**41,657**
As at 31 December 2024	**28,208,064**	**262,140**	**11,440,540**	**39,910,744**

17. LOANS TO CUSTOMERS (CONTINUED)

Gross carrying amount and allowance for expected credit losses on loans to customers (continued)

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Loans to retail customers				
Allowance for ECL as at 1 January 2024	**(794,812)**	**(39,069)**	**(7,616,941)**	**(8,450,822)**
New assets originated or purchased	(366,790)	–	–	**(366,790)**
Assets derecognized or redeemed (excluding write-offs)	89,695	4,039	398,183	**491,917**
Transfers to Stage 1	(79,602)	2,138	77,464	–
Transfers to Stage 2	90,993	(85,637)	(5,356)	–
Transfers to Stage 3	1,463,690	145,902	(1,609,592)	–
Impact on period end ECL of exposures transferred between stages during the period	*1,475,081*	*62,403*	*(1,537,484)*	–
Change in risk models/parameters	(1,787,908)	(164,655)	410,761	**(1,541,802)**
Amounts written-off	–	–	112,722	**112,722**
Foreign exchange adjustments	–	–	(41,246)	**(41,246)**
As at 31 December 2024	**(1,384,734)**	**(137,282)**	**(8,274,005)**	**(9,796,021)**

Collateral and other credit enhancements

The amount and type of collateral required by the Bank depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

The main types of collateral obtained are as follows:

- for commercial lending, charges over immovable and movable properties, inventory and cash;
- for retail lending, charges over residential properties, vehicles.

The Bank also obtains guarantees from parent companies for loans to their subsidiaries.

Management monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement during its review of the adequacy of the allowance for ECL.

Table below presents an analysis of the current fair value of the collateral held and credit enhancement mechanisms for credit impaired assets (assets of Stage 3). Depending on the level of collateral, ECLs for some Stage 3 assets may not be estimated on an individual basis when the expected value of collateral is higher than the LGD level, even if in the future the value of collateral is projected using multiple economic scenarios. However, Stage 3 ECLs may be higher than the net exposure indicated below if it is expected that the future value of collateral estimated using multiple economic scenarios will decrease.

In thousands of tenge	**31 December 2025**	31 December 2024
Loans to large corporates	59,632,164	69,374,238
Loans to small and medium size companies	17,047,549	20,015,661
Loans to retail customers	11,075,711	11,459,288
	87,755,424	**100,849,187**

According to the policy of the Bank, the property on which the foreclosure is imposed, is implemented in the prescribed manner. Proceeds from sales are used to reduce or repay existing debt. As a rule, the Bank does not occupy such property for the purpose of carrying out its activities. Below is information about the carrying value of the assets that were levied and held at the balance sheet date.

During the years ended 31 December 2025 and 2024 the Bank obtained financial and non-financial assets by foreclosing collateral. As at 31 December 2025 and 2024, these assets, net of those sold during the respective periods, were recorded as Foreclosed property within other assets in the amount of 1,356,304 thousand tenge and 2,108,931 thousand tenge, respectively (Note 21).

17. LOANS TO CUSTOMERS (CONTINUED)

Concentration of loans to customers

As at 31 December 2025, the Bank has five borrowers or groups of related borrowers (31 December 2024: four borrowers or groups of related borrowers) whose loan balances exceed 10% of the Bank's equity. The total balance of loans to these borrowers as at 31 December 2025 is 81,563,740 thousand tenge (31 December 2024: 67,805,602 thousand tenge).

Industry and geographical analysis of the loan portfolio

Loans to customers were issued primarily to customers located within the Republic of Kazakhstan and operated in the following economic sectors:

In thousands of tenge	**31 December 2025**	31 December 2024
Loans to corporate customers		
Financial intermediation	40,533,315	29,999,313
Communications	27,409,727	25,247,519
Food industry	26,160,517	21,580,143
Wholesale trade	24,561,887	23,350,287
Oil and gas	24,275,957	–
Mining	24,160,265	27,756,359
Infrastructure	20,130,795	4,225,659
Education	16,074,402	13,921,530
Transportation	15,826,853	6,586,185
Recreation, entertainment, culture, and sports	13,749,835	13,094,856
Medicine and pharmaceuticals	13,541,759	11,782,820
Retail	13,319,500	14,019,910
Construction and real estate	9,675,877	7,359,419
Agriculture	7,863,178	11,940,587
Manufacturing	7,468,385	4,208,145
Property rental	4,582,900	5,208,086
Publishing	1,859,935	2,336,780
Other	19,594,931	15,793,623
Loans to retail customers		
Consumer loans	30,445,237	32,061,713
Mortgages	19,602,893	7,790,716
Credit cards	42,513	58,315
	360,880,661	**278,321,965**
Less: allowance for expected credit losses	(34,970,281)	(40,658,922)
	325,910,380	**237,663,043**

Loan maturities

The maturity of the loan portfolio is presented in Note 30, which shows the remaining period from the reporting date to the contractual maturity of the loans.

Modified and restructured loans

The Bank derecognizes a financial asset, such as a loan provided to a customer, if the terms of the agreement are revised in such a way that it becomes a new loan, and the difference is recognized as a gain or loss from derecognition before an impairment loss is recognized. On initial recognition, loans are treated as Stage 1 for ECL purposes unless the originated loan is considered a POCI asset. If the modification does not result in a significant change in cash flows, the modification does not result in derecognition. Based on the change in cash flows, discounted at the original effective interest rate, the Bank recognizes a modification gain or loss before an impairment loss is recognized.

18. PROPERTY AND EQUIPMENT

In thousands of tenge	Land and buildings	Motor vehicles	Computer and banking equipment	Other	Right-of-use assets	Total
Revalued/ Initial value						
Balance at 1 January 2024	**8,538,259**	**130,651**	**2,458,551**	**3,026,967**	**1,281,482**	**15,435,910**
Additions	–	1,389	95,417	141,033	674,009	911,848
Disposals	–	(4,215)	(117,867)	(124,864)	(296,970)	(543,916)
Balance at 31 December 2024	**8,538,259**	**127,825**	**2,436,101**	**3,043,136**	**1,658,521**	**15,803,842**
Additions	–	30,642	1,296,198	950,419	435,312	2,712,571
Disposals	–	(15,763)	(28,058)	(226,197)	(157,225)	(427,243)
Balance at 31 December 2025	**8,538,259**	**142,704**	**3,704,241**	**3,767,358**	**1,936,608**	**18,089,170**
Accumulated depreciation and impairment						
Balance at 1 January 2024	**(1,365,733)**	**(118,189)**	**(1,589,940)**	**(2,426,147)**	**(420,927)**	**(5,920,936)**
Depreciation for the year	(111,598)	(1,752)	(189,057)	(143,033)	(549,621)	(995,061)
Disposals	–	4,025	113,153	120,995	222,843	461,016
Balance at 31 December 2024	**(1,477,331)**	**(115,916)**	**(1,665,844)**	**(2,448,185)**	**(747,705)**	**(6,454,981)**
Depreciation for the year	(106,253)	(2,213)	(216,690)	(164,349)	(637,013)	(1,126,518)
Disposals	–	15,763	28,058	225,232	128,127	397,180
Balance at 31 December 2025	**(1,583,584)**	**(102,366)**	**(1,854,476)**	**(2,387,302)**	**(1,256,591)**	**(7,184,319)**
Net book value						
As at 31 December 2024	**7,060,928**	**11,909**	**770,257**	**594,951**	**910,816**	**9,348,861**
As at 31 December 2025	**6,954,675**	**40,338**	**1,849,765**	**1,380,056**	**680,017**	**10,904,851**

18. PROPERTY AND EQUIPMENT (CONTINUED)

Assets revaluation

In June 2022, the Bank revaluated its land, buildings and constructions using an independent appraiser. The market method was used to value the assets, which is based on a comparative analysis of the results of sales of similar buildings and land. A cost-based approach was used to evaluate the constructions. The fair value of the Bank's land, buildings and constructions belong to Level 2 of the fair value hierarchy. The Bank's management believes that the value of buildings and land has changed insignificantly since 2022 and did not perform an evaluation in 2025. If the land and buildings had not been revalued, their net book value as at 31 December 2025 would have been 2,403,370 thousand tenge (31 December 2023: 2,456,241 thousand tenge).

19. INVESTMENT PROPERTY

In thousands of tenge	**2025**	2024
As at 1 January	2,655,051	2,655,051
Transfers to other assets	(646,872)	–
As at 31 December	**2,008,179**	**2,655,051**

In 2025, other income included income from the rental of investment property in the amount of 26,437 thousand tenge (2024: 52,813 thousand tenge). Operating expenses related to investment property for which the Bank received rental income for the year ended 31 December 2025 amounted to 11,706 thousand tenge (2024: 11,706 thousand tenge).

As at 31 December 2025, when calculating the fair value of the Bank's investment property, estimates were assigned to Level 3.

20. INVESTMENT IN SUBSIDIARIES

As at 31 December 2025 and 2024, the Bank has following subsidiaries, which are accounted for at cost less impairment.

Name	**Date of establishment/ acquisition**	**Country of incorporation**	**Principal activities**
Organization on Management of Doubtful Assets NB LLP	2014	Kazakhstan	Doubtful assets management
Leasing Company Nur-Leasing LLP	2001	Kazakhstan	Leasing
Money Experts JSC	2003	Kazakhstan	Brokerage

Name	**31 December 2025**		**31 December 2024**	
	% Controlled	**Carrying value**	**% Controlled**	**Carrying value**
Organization on Management of Doubtful Assets NB LLP	100.00	19,308,281	100.00	19,308,281
Leasing Company Nur-Leasing LLP	100.00	4,262,333	100.00	4,262,333
Money Experts JSC	100.00	715,000	100.00	715,000
		24,285,614		**24,285,614**
Less allowance for impairment		(9,283,018)		(9,950,109)
Total investment in subsidiaries		**15,002,596**		**14,335,505**

20. INVESTMENT IN SUBSIDIARIES (COUNTINUED)

Movement in allowances for impairment losses on investments in subsidiaries are presented as follows:

In thousands of tenge	
At 1 January 2024	**(9,090,110)**
Allowance accrual	(859,999)
At 31 December 2024	**(9,950,109)**
Allowance recovery	667,091
At 31 December 2025	**(9,283,018)**

The table below provides an analysis of the change in investments in subsidiaries for the years ended 31 December 2025 and 2024.

In thousands of tenge	**2025**	2024
Investments in subsidiaries at the beginning of the year	14,335,504	15,195,504
Recovery of investments in NurLeasing Leasing Company LLP	1,567,092	–
Impairment of investments in Organization on Management of Doubtful Assets NB LLP	(900,000)	(859,999)
Investments in subsidiaries at the end of the year	**15,002,596**	**14,335,505**

21. OTHER ASSETS

In thousands of tenge	**31 December 2025**	31 December 2024
Other financial assets:		
Other debtors from banking activities	4,784,092	4,986,654
Restricted cash on KASE account	1,755,000	1,755,000
Accrued commission income	155,557	208,600
Other financial assets	12,665	6,421
	6,707,314	**6,956,675**
Less: allowance for expected credit losses	(3,053,471)	(1,662,507)
Total other financial assets	**3,653,843**	**5,294,168**
Other non-financial assets		
Intangible assets	2,669,537	1,719,379
Foreclosed property	1,356,304	2,108,931
Materials and supplies	977,242	140,824
Prepayments	927,040	588,410
Deferred expenses	394,121	83,809
Taxes prepaid other than corporate income tax	41,299	29,837
	6,365,543	**4,671,190**
Less: allowance for impairment	(272,928)	(257,321)
Total other non-financial assets	**6,092,615**	**4,413,869**
Total other assets	**9,746,458**	**9,708,037**

As at 31 December 2025, the foreclosed property was impaired for the amount of 86,485 thousand tenge (31 December 2024: 73,329 thousand tenge).

The analysis of changes in estimated allowances for expected credit losses on other financial assets for 2025 and 2024 is given below:

In thousands of tenge	**Stage 3**
Allowance for ECL as at 1 January 2024	**(2,737,475)**
Accrual of ECL (Note 5)	(7,032,493)
Write-off	8,115,206
Foreign exchange adjustments	(7,745)
As at 31 December 2024	**(1,662,507)**
Accrual of ECL (Note 5)	(1,627,406)
Write-off	234,933
Foreign exchange adjustments	1,509
As at 31 December 2025	**(3,053,471)**

21. OTHER ASSETS (CONTINUED)

Changes in the allowance for impairment of non-financial assets for the years ended 31 December 2025 and 2024 are as follows:

In thousands of tenge	**2025**	2024
Allowance for impairment at the beginning of the year	(257,321)	(215,915)
Allowance accrual	(118,698)	(69,733)
Write-off	103,091	28,327
Allowance for impairment at the end of the year	**(272,928)**	**(257,321)**

During 2025, the income from the increase of the net realizable value for impaired foreclosed property amounted to 18,634 thousand tenge. (2024: 11,552 thousand tenge)

22. AMOUNTS DUE TO BANKS AND OTHER CREDIT INSTITUTIONS

The summary of amounts due to banks and other credit institutions as at 31 December 2025 and 2024, is presented below:

In thousands of tenge	**Issue dates**	**Maturity**	**Interest rates**	**31 December 2025**	31 December 2024
Loans and deposits due to government organizations	2014–2025	2034–2040	1.00% – 2.25%	22,933,182	6,920,197
Current accounts and deposits due to other financial institutions	2025	2026	2.25% –18.00%	6,174,587	640,849
				29,107,769	**7,561,046**

Loans due to government organizations comprised long-term loans from Damu that were received to finance small and medium enterprises, a long-term loan from DBK received to finance corporate business. Management of the Bank believes that there are some other similar financial instruments and due to their specific nature, the loans from Damu and DBK represent a separate segment of borrowings from state companies to support companies operating in certain industries. As a result, these loans were received in an "arm's length" transaction and, as such, the amount received under the loans represents the fair value of the loans on initial recognition.

23. AMOUNTS DUE TO CUSTOMERS

In thousands of tenge	**31 December 2025**	31 December 2024
Current accounts and demand deposits		
Corporate	61,472,558	72,982,860
Retail	31,306,866	22,953,237
Term deposits		
Corporate	178,550,403	152,584,076
Retail	127,811,436	146,837,749
	399,141,263	**395,357,922**

As at 31 December 2025, the Bank has deposits and customer accounts in the amount of 57,742,610 thousand tenge (31 December 2024: 31,072,977 thousand tenge) as collateral for the performance of obligations under loans and credit lines provided by the Bank.

As at 31 December 2025, the Bank has six customers (including groups), including ones related to the Bank (31 December 2024: four customers), whose balances exceed 10% of the Bank's equity. The total amount of these balances and deposits as at 31 December 2025 comprised 83,256,059 thousand tenge (31 December 2024: 97,264,254 thousand tenge).

24. DEBT SECURITIES ISSUED

In thousands of tenge	**31 December 2025**	31 December 2024
Nominal amount	10,000,000	10,000,000
Accrued interest	374,125	374,125
	10,374,125	**10,374,125**

The summary of bonds issued in tenge that are listed on KASE, as at 31 December 2025 and 2024 is presented below:

In thousands of tenge	**Issue date**	**Maturity**	**Coupon rate**	**Effective rate**	**Carrying amount**	
					31 December 2024	31 December 2023
Fourth issue bonds	27.02.2019	27.02.2026	10.95%	11.50%	10,374,125	10,374,125
					10,374,125	**10,374,125**

25. SUBORDINATED DEBT

In thousands of tenge	**31 December 2025**	31 December 2024
Nominal value	51,445,678	56,311,675
Discount	(22,784,164)	(26,391,678)
Accrued interest	1,288,460	1,415,182
	29,949,974	**31,335,179**
Subordinated bonds	29,949,974	31,335,179
Liability component of preference shares	2,825,546	2,720,249
	32,775,520	**34,055,428**

As at 31 December 2025 and 2024 subordinated debt include liability component of preference shares.

Below is information about issues of subordinated bonds in tenge as at 31 December 2025 and 2024:

In thousands of tenge	**Issue date**	**Maturity**	**Nominal rate**	**31 December 2025**	31 December 2024
Subordinated bonds under the Program of Strengthening Financial Stability of the Banking Sector	29.04.2020	29.04.2035	4.0%	20,678,574	21,691,569
Subordinated bonds of the third issue indexed at the devaluation rate	27.01.2015	27.01.2028	4.0%+devaluation effect	9,271,400	9,643,610
Total subordinated bonds				**29,949,974**	**31,335,179**
The liability component in preference shares				2,825,546	2,720,249
Total subordinated debt				**32,775,520**	**34,055,428**

25. SUBORDINATED DEBT (CONTINUED)

Below is information about movements of subordinated debt:

In thousands of tenge	Subordinated indexed bonds	Subordinated bonds under the Program	**Total**
As at 1 January 2024	**8,323,959**	**20,663,275**	**28,987,234**
Payment of interest	(333,390)	(1,873,161)	**(2,206,551)**
Accrued interest	338,736	1,873,161	**2,211,897**
Expense from amortization of discount on subordinated bonds	15	1,028,294	**1,028,309**
Cost indexing	1,314,290	–	**1,314,290**
As at 31 December 2024	**9,643,610**	**21,691,569**	**31,335,179**
Payment of interest	(365,836)	(1,993,670)	**(2,359,506)**
Accrued interest	359,623	1,873,161	**2,232,784**
Expense from amortization of discount on subordinated bonds	4	3,607,514	**3,607,518**
Cost indexing	(366,001)	–	**(366,001)**
Redemption of own bonds	–	(4,500,000)	**(4,500,000)**
As at 31 December 2025	**9,271,400**	**20,678,574**	**29,949,974**

Preference shares

Holders of preference shares receive a minimum cumulative dividend of 10% per annum on the par value of their shareholding. The preference shares do not carry the right to vote unless the dividend is in arrears. All shares rank equally with regard to the Bank's residual assets, except that preference shareholders participate only to the extent of the face value of the shares adjusted for any dividends in arrears. All preference shares were issued and fully paid at their par value of 1,000 tenge per share. During the year ended 31 December 2025, the Bank accrued dividends on preference shares amounting to 225,695 thousand tenge (31 December 2024: 225,695 thousand tenge).

Subordinated bonds

Resolution of the NBRK No.129 dated 30 June 2017 approved the Bank's participation in the Program of strengthening financial stability of the banking sector of the Republic of Kazakhstan (hereinafter – the "Program"). In accordance with the terms of the Program, on 29 April 2020 the Bank placed the subordinated bonds at Kazakhstan Stock Exchange in the amount of 46,829,031 thousand tenge with 15-year maturity and coupon rate of 4.0 % per year (hereinafter – the "Bonds"), which were acquired by Kazakhstan Stability Fund. At the inception date, the Group recorded income in the statement of profit or loss of 30,131,746 thousand tenge from the discount between market interest rate of 15.6% and the Bond placement interest rate under the Program. In 2025, the Bank partially repurchased bonds in the amount of 4,500,000 thousand tenge. As a result, a discount in the amount of 2,432,225 thousand tenge was released.

The Bank has adopted the following restrictions and covenants in its activities, effective for 5 years from the date of placement of the Bonds:

- the Bank undertakes to comply with the capital adequacy ratios established by the Agency.
- the Bank undertakes not to take actions to dispose of the Bank's assets. The list of cases that will be considered as asset stripping is given in the Bond Issue Prospectus. The disposal of the Bank's assets means the following cases, as a result of which the Bank has suffered or may be caused significant damage, which may lead to a deterioration in the financial condition and / or solvency of the Bank:
- sale/ disposal of the Bank's property to third parties at a p lower than the market value of this property, as determined by an independent appraiser, taking into account all the Issuer's expenses related to the maintenance and sale of this property;
- purchase from third parties of property and (or) services of low quality or at a price higher than the market value as determined by an independent appraiser or in circumstances where similar property and (or) services of third parties would not have been acquired;
- sale / alienation to third parties of securities circulating on the organized market from the Issuer's personal accounts opened with nominee holders - residents and non-residents of the Republic of Kazakhstan, as well as in the register system at a value below market value;
- entering into unusual, atypical or onerous contracts, including the issuance of deliberately bad loans or loans on concessional terms that go beyond the ordinary course of business;

25. SUBORDINATED DEBT (CONTINUED)

- a decrease in the level of loan collateral coverage, assessed on an individual basis in accordance with the methodology, by collateral other than non-fixed types of collateral defined by the Methodology by 70% (seventy percent) or more;
- transfer of the Bank's property as compensation for a debt obligation, if the Bank enters into an agreement with a person related to him by special relations and does not fulfil the terms of the agreement, and property that is transferred to a person related to the Bank by special relations acts as a compensation in the agreement;
- taking actions that prevent the Bank from carrying out economic activities based on the principle of business continuity in the order in which ordinary business activities were carried out on the date of circulation (placement of bonds).

Breach of any covenant results in enforcement of the bonds holders' rights to convert the Bonds into ordinary shares of the Bank.

The Bank's management believes that as at 31 December 2025 and 2024 the Bank was in compliance with the terms of the Bank's agreements with the Bonds holders.

26. LEASE LIABILITIES

In thousands of tenge	
As at 1 January 2024	**948,682**
Additions	674,008
Disposals	(74,128)
Interest expense (Note 4)	180,364
Payments	(711,871)
As at 31 December 2024	**1,017,055**
Additions	435,312
Disposals	(28,731)
Interest expense (Note 4)	150,286
Payments	(786,286)
As at 31 December 2025	**787,636**

27. OTHER LIABILITIES

In thousands of tenge	**31 December 2025**	31 December 2024
Other financial liabilities:		
Provision for issued guarantees and letters of credit issued	2,963,105	5,241,413
Liabilities to providers for issued electronic money	1,504,358	713,966
Accrued operating expenses	942,783	935,280
Liabilities for issued electronic money	902,743	1,258,269
	6,312,989	**8,148,928**
Other non-financial liabilities:		
Accrued expenses for unused vacation	1,512,146	1,096,457
Prepayments for banking operations	353,071	882,192
Other taxes payable	356,508	22,076
Other transit accounts	307,831	425,660
Other non-financial liabilities	359,413	243,093
	2,888,969	**2,669,478**
	9,201,958	**10,818,406**

Movements in the provision for guarantees and letters of credit issued for the years ended 31 December 2025 and 2024 are as follows:

In thousands of tenge	**2025**	2024
Provision as at the beginning of the year	**5,241,413**	**9,293,567**
Net recovery of provision (Note 5)	(2,263,670)	(4,057,603)
Foreign exchange adjustments	(14,638)	5,449
Provision as at the end of the year	**2,963,105**	**5,241,413**

28. SHARE CAPITAL AND RESERVES

Issued share capital

As at 31 December 2025 and 2024, the authorized share capital comprises 133,700,000 ordinary shares and 300,000 preference shares. As at 31 December 2025 and 2024, issued and outstanding share capital comprises 13,494,068 ordinary shares and 226,695 preference shares (Note 25). The shares do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at annual and general meetings of the Bank.

Dividends

In accordance with the legislation of the Republic of Kazakhstan and the Bank's charter documents, distributable reserves are subject to the rules and regulations of the Republic of Kazakhstan. Dividends in relation to ordinary shares are reflected as an appropriation of retained earnings in the period when they are declared. Dividends on preferred shares are accrued in accordance with the established terms (Note 25). No dividends were declared for 2025 and 2024.

The Bank is subject to restrictions on profit distribution, dividend declaration, and share buybacks in accordance with the requirements of Resolution No. 21 of the Agency dated 27 April 2023.

Treasury shares

At 31 December 2025 and 2024, the Bank held 698 of its own ordinary shares and 181 preference shares.

Nature and purpose of reserves

Revaluation surplus for land and buildings

A positive revaluation of land and buildings includes the cumulative positive fair value of the difference between the initial cost of land and buildings and until the assets are derecognized or impaired less a deferred corporate income tax.

Fair value reserve

The fair value reserve includes the accumulated net change in the fair value of debt and equity financial assets at FVOCI, as well as the amount of the change in the estimated reserve for these assets until the derecognition of these assets.

29. PROFIT PER ORDINARY SHARE, BASIC AND DILUTED

Basic earnings per share

The calculation of basic earnings per share is based on the net profit for the year attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the year calculated as follows.

In thousands of tenge	**2025**	2024
Profit for the year	11,513,800	13,020,372
Weighted average number of ordinary shares for basic earnings per share calculation	13,494,068	13,494,068
Basic profit per ordinary share, in tenge	**853.25**	**964.90**

29. PROFIT PER ORDINARY SHARE, BASIC AND DILUTED (CONTINUED)

For the years ended 31 December 2025 and 2024, potentially diluted shares were presented as follows:

In thousands of tenge	**2025**	2024
Weighted average number of ordinary shares for basic earnings per share convertible subordinated bonds	13,494,068	13,494,068
The dilution effect due to convertible subordinated bonds	13,359,818	13,359,818
Weighted average number of ordinary shares, adjusted for the effect of dilution	**26,853,886**	**26,853,886**

In thousands of tenge	**2025**	2024
Profit for the year	17,214,750	17,800,564
Weighted average number of ordinary shares for diluted earnings per share calculation	26,853,886	26,853,886
Diluted profit per ordinary share, in tenge	**641.05**	**662.87**

30. RISK MANAGEMENT

Management of risks is fundamental to the business of banking and is an essential element of the Bank's operations. The major risks faced by the Bank are those related to market risk, credit risk and liquidity risk.

Risk management policies and procedures

The risk management policies aim to identify, analyze and manage the risks faced by the Bank, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits.

Risk management policies and procedures are reviewed regularly to reflect changes in market conditions, products and services offered and emerging best practice.

The Board of Directors has overall responsibility for the oversight of the risk management framework, overseeing the management of key risks and reviewing its risk management policies and procedures as well as approving significantly large exposures.

The Management Board is responsible for monitoring and implementation of risk mitigation measures and making sure that the Bank operates within the established risk parameters. The Head of the Risk Department is responsible for the overall risk management and compliance functions, ensuring the implementation of common principles and methods for identifying, measuring, managing and reporting both financial and non-financial risks. He reports directly to the Chairman of the Board and indirectly to the Board of Directors.

Credit, market and liquidity risks both at the portfolio and transactional levels are managed and controlled through a system of Credit Committees and an Asset and Liability Management Committee (ALCO). In order to facilitate efficient and effective decision-making, the Bank established a hierarchy of credit committees depending on the type and amount of exposure.

Both external and internal risk factors are identified and managed throughout the organization. Particular attention is given to identifying the full range of risk factors and determination of the level of assurance over the current risk mitigation procedures. Apart from the standard credit and market risk analysis, the Risk Department monitors financial and non-financial risks by holding regular meetings with operational units in order to obtain expert judgments in their areas of expertise.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate, currency and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimizing the return on risk.

30. RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Overall authority for market risk is vested in the ALCO, which is chaired by the Chairman. Market risk limits are approved by ALCO based on recommendations of the Risk Department. The Bank manages its market risk by setting open position limits in relation to financial instruments, interest rate maturity and currency positions. These are monitored on a regular basis and reviewed and approved by the Management Board.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Bank is exposed to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may also reduce or create losses if unexpected movements occur.

Interest rate gap analysis

Interest rate risk is managed principally through monitoring interest rate gaps. A summary of the interest gap position for major financial instruments is as follows:

	Interest-bearing assets					Other financial assets	Carrying amount
In thousands of tenge	Less than 3 months	3-6 months	6-12 months	1-5 years	More than 5 years		
31 December 2025							
ASSETS							
Cash and cash equivalents	51,171,111	–	–	–	–	8,175,711	59,346,822
Financial assets at FVPL	–	–	–	–		16,153	16,153
Financial assets at FVOCI	5,233,906	9,910,777	380,883	52,984,729	4,759,448	2,694	73,272,437
Financial assets at amortized cost	–	–	–	5,529,971	39,801,682	–	45,331,653
Amounts due from credit institutions	15,112,115	2,469,641	3,575,591	–	–	–	21,157,347
Loans to customers	39,947,059	27,545,124	72,123,845	155,302,748	30,991,604	–	325,910,380
Other financial assets	–	–	–	–	–	3,653,843	3,653,843
Total assets	**111,464,191**	**39,925,542**	**76,080,319**	**213,817,448**	**75,552,734**	**11,848,401**	**528,688,635**
LIABILITY							
Amounts due to banks and other credit institutions	6,199,889	9,335	2,708	5,052,480	17,843,357	–	29,107,769
Amounts due to customers	122,441,585	74,629,522	52,584,845	20,713,330	37,520,619	91,251,362	399,141,263
Debt securities issued	10,374,125	–	–		–	–	10,374,125
Subordinated debt	154,983	1,133,477	–	9,116,417	19,545,097	2,825,546	32,775,520
Lease liabilities	–	–	–	787,636	–	–	787,636
Other financial liabilities	–	–	–	–	–	6,312,989	6,312,989
Total liabilities	**139,170,582**	**75,772,334**	**52,587,553**	**35,669,863**	**74,909,073**	**100,389,897**	**478,499,302**
Net position	**(27,706,391)**	**(35,846,792)**	**23,492,766**	**178,147,585**	**643,661**	**(88,541,496)**	**50,189,333**

30. RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Interest rate risk (continued)

Interest rate gap analysis (continued)

	Interest-bearing assets					Other financial	Carrying
In thousands of tenge	Less than 3 months	3-6 months	6-12 months	1-5 years	More than 5 years	assets	amount
31 December 2024							
ASSETS							
Cash and cash equivalents	99,432,107	–	–	–	–	13,401,412	**112,833,519**
Financial assets at FVPL	–	–	–	–	–	15,811	**15,811**
Financial assets at FVOCI	27,866,214	353,967	6,699,429	45,885,254	10,503,900	2,695	**91,311,459**
Financial assets at amortized cost	–	–	–	–	41,641,848	–	**41,641,848**
Amounts due from credit institutions	3,161,152	–	6,762,470	–	–	–	**9,923,622**
Loans to customers	49,287,564	15,575,992	49,901,049	102,177,034	20,721,404	–	**237,663,043**
Other financial assets	–	–	–	–	–	5,294,168	**5,294,168**
Total assets	**179,747,037**	**15,929,959**	**63,362,948**	**148,062,288**	**72,867,152**	**18,714,086**	**498,683,470**
LIABILITY							
Amounts due to banks and other credit institutions	664,163	–	2,941	–	6,893,942	–	**7,561,046**
Amounts due to customers	142,716,603	59,872,982	90,582,202	30,920,282	11,175,515	60,090,338	**395,357,922**
Debt securities issued	374,125	–	–	10,000,000	–	–	**10,374,125**
Subordinated debt	161,205	–	1,253,977	9,482,405	20,437,592	2,720,249	**34,055,428**
Lease liabilities	–	–	–	1,017,055	–	–	**1,017,055**
Other financial liabilities	–	–	–	–	–	8,148,928	**8,148,928**
Total liabilities	**143,916,096**	**59,872,982**	**91,839,120**	**51,419,742**	**38,507,049**	**70,959,515**	**456,514,504**
Net position	**35,830,941**	**(43,943,023)**	**(28,476,172)**	**96,642,546**	**34,360,103**	**(52,245,429)**	**42,168,966**

30. RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Interest rate risk (continued)

Average interest rates

The table below displays average effective interest rates for interest bearing assets and liabilities as at 31 December 2025 and 2024. These interest rates are an approximation of the yields to maturity of these assets and liabilities.

In thousands of tenge	**31 December 2025 Average effective interest rate, %**			31 December 2024 Average effective interest rate, %		
	Tenge	**US dollars**	**Other currencies**	**Tenge**	**US dollars**	**Other currencies**
Interest bearing assets						
Cash and cash equivalents	16.51	2.65	0.01	14.32	3.64	0.17
Financial assets at FVOCI	14.16	4.34	1.85	14.50	3.13	1.89
Amounts due from credit institutions	14.83	1.69	17.40	14.30	–	12.62
Loans to customers	16.99	6.91	5.83	17.06	6.86	5.51
Interest bearing liabilities						
Amounts due to credit institutions	2.35	–	2.15	2.00	–	–
Amounts due to customers						
- Current accounts and demand deposits	0.01	–	–	0.40	–	–
- Term deposits	13.68	2.38	–	13.43	0.99	–
Debt securities issued	10.92	–	–	10.95	–	–
Subordinated debt	11.26	–	–	11.43	–	–
Amounts payable under repurchase agreements	8.48	–	–	6.87	–	–

The management of interest rate risk based on interest rate gap analysis is supplemented by monitoring the sensitivity of financial assets and liabilities. An analysis of sensitivity of profit or loss and equity (net of taxes) to changes in interest rates (repricing risk) based on a simplified scenario of a 100 basis point (bp) symmetrical fall or rise in all yield curves and positions of interest-bearing assets and liabilities existing as at 31 December 2025 and 2024, is as follows:

In thousands of tenge	**2025**	2024
100 bp parallel fall	314,111	184,803
100 bp parallel rise	(314,111)	(184,803)

Interest rate sensitivity analysis

An analysis of sensitivity of profit or loss and equity as a result of changes in the fair value of financial assets at FVPL and financial assets at FVOCI due to changes in the interest rates based on positions existing as at 31 December 2025 and 2024, and a simplified scenario of a 100 bp symmetrical fall or rise in all yield curves is as follows:

In thousands of tenge	**2025**		2024	
	Profit or loss	**Equity**	**Profit or loss**	**Equity**
100 bp parallel fall	**–**	**1,490,950**	–	1,723,295
100 bp parallel rise	**–**	**(1,573,069)**	–	(1,688,689)

30. RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Currency risk

The Bank has assets and liabilities denominated in several foreign currencies.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates. Although the Bank hedges its exposure to currency risk, such activities do not qualify as hedging relationships in accordance with IFRSs.

The following table shows the foreign currency exposure structure of financial assets and liabilities as at 31 December 2025 and 2024:

31 December 2025	US dollars	Euro	Other currencies	Total
ASSETS				
Cash and cash equivalents	5,710,263	662,677	8,495,728	**14,868,668**
Financial assets at FVPL	16,153	–	–	**16,153**
Financial assets at FVOCI	2,208,154	4,759,447	–	**6,967,601**
Financial assets at amortized cost	39,801,682	–	–	**39,801,682**
Amounts due from credit institutions	6,045,232	–	2,530	**6,047,762**
Loans to customers	49,920,639	15,362	–	**49,936,001**
Other financial assets	926,518	40,639	324,509	**1,291,666**
Total assets	**104,628,641**	**5,478,125**	**8,822,767**	**118,929,533**
LIABILITIES				
Amounts due to customers	66,535,448	4,061,628	6,094,128	**76,691,204**
Other financial liabilities	1,404,447	53,834	208,993	**1,667,274**
Amounts due to banks and other credit institutions	302,118	2,968,711	583,651	**3,854,480**
Subordinated bonds	9,271,400	–	–	**9,271,400**
Total liabilities	**77,513,413**	**7,084,173**	**6,886,772**	**91,484,358**
Net balance sheet position	**27,115,228**	**(1,606,048)**	**1,935,995**	**27,445,175**
Net off-balance sheet position	**(27,051,765)**	**1,720,976**	**(1,141,200)**	**(26,471,989)**
Net position	**63,463**	**114,928**	**794,795**	**973,186**

31 December 2024	US dollars	Euro	Other currencies	Total
ASSETS				
Cash and cash equivalents	9,956,328	2,270,343	9,934,286	**22,160,957**
Financial assets at FVPL	15,811	–	–	**15,811**
Financial assets at FVOCI	8,593,926	4,436,693	–	**13,030,619**
Financial assets at amortized cost	41,641,848	–	–	**41,641,848**
Amounts due from credit institutions	9,472,070	–	–	**9,472,070**
Loans to customers	31,505,803	561	932	**31,507,296**
Other financial assets	873,310	25,524	144,594	**1,043,428**
Total assets	**102,059,096**	**6,733,121**	**10,079,812**	**118,872,029**
LIABILITIES				
Amounts due to customers	71,772,546	4,452,873	8,516,768	**84,742,187**
Other financial liabilities	54,264	12,725	1,991	**68,980**
Amounts due to banks and other credit institutions	638,181	1,194	605	**639,980**
Subordinated bonds	9,643,610	–	–	**9,643,610**
Total liabilities	**82,108,601**	**4,466,792**	**8,519,364**	**95,094,757**
Net balance sheet position	**19,950,495**	**2,266,329**	**1,560,448**	**23,777,272**
Net off-balance sheet position	**(18,621,096)**	**(2,186,960)**	**(522,160)**	**(21,330,216)**
Net position	**1,329,399**	**79,369**	**1,038,288**	**2,447,056**

30. RISK MANAGEMENT (CONTINUED)

Market risk (continued)

Currency risk (continued)

Derivative financial instruments as at 31 December 2025 and 2024 include:

In thousands of tenge	**31 December 2025**			31 December 2024		
		Fair value			**Fair value**	
	Notional amount	**Asset**	**Liability**	**Notional amount**	**Asset**	**Liability**
Foreign currency contracts						
Swaps	28,363,299	192,873	–	24,998,435	4,118	(8,063)
Spots	2,712,421	18,212	–	564,640	840	(13,200)
Forwards	164,786	14,652	–	164,786	21,602	–
		211,085	**–**		**26,560**	**(21,263)**

A 20% change in the exchange rate of the Kazakhstani tenge as set out in the following table against the following currencies as at 31 December 2025 (2024: 20%) would have caused an increase/(decrease) in equity and profit or loss as described below. This analysis is net of taxes and is based on changes in foreign exchange rates that, in the opinion of the Bank, are reasonably possible as of the end of the reporting period. The analysis assumes that all other variables, especially interest rates, remain constant.

In thousands of tenge	**2025**	2024
Increase in the US dollar relative to the Kazakhstani tenge by 20% in 2025 (2024: 20%)	**12,693**	265,880
Increase in the euro against the Kazakhstani tenge by 20% in 2025 (2024: 20%)	**22,986**	15,874
Increase in the rate of other currencies in relation to Kazakhstani tenge by 20% in 2025 (2024: 20%)	**158,959**	207,658

A strengthening of the tenge against the above currencies at 31 December 2025 and 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers, clients or counterparties failed to discharge their contractual obligations. The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Bank has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions.

The credit quality review process allows the Bank to assess the potential loss as a result of the risks to which it is exposed and undertake corrective action.

Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded in the separate statement of financial position.

Credit-related commitments risks

The Bank makes available to its customers guarantees which may require that the Bank make payments on their behalf. Such payments are collected from customers based on the terms of the letter of credit. They expose the Bank to risks similar to loans and these are mitigated by the same control processes and policies.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Credit-related commitments risks (continued)

The carrying amount of components of the separate statement of financial position without the influence of risk mitigation through the use of master netting agreements and collateral agreements, most accurately reflects the maximum credit exposure on these components.

Where financial instruments are recorded at fair value, their carrying amounts represent the current credit risk exposure but not the maximum risk exposure that could arise in the future as a result of changes in values.

For more detail on the maximum exposure to credit risk for each class of financial instrument, references shall be made to the specific notes.

Treasury and interbank relationships

The Bank's treasury and interbank relationships and counterparties comprise financial services institutions, banks, broker-dealers, exchanges and clearing-houses. For these relationships, the Bank's credit risk department analyses publicly available information such as financial information and other external data, e.g., the external ratings, and assigns the internal rating, as shown in the table below.

Commercial and small business lending

The credit risk assessment is based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Historical financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention;
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond or CDS prices or press releases and articles;
- Macroeconomic or geopolitical information, for example, GDP growth rates as applied to the specific industry and geographical regions in which the client operates;
- Any other objectively supportable information on the quality and abilities of the client's management relevant for the company's performance.

The complexity and granularity of the rating techniques varies based on the exposure of the Bank and the complexity and size of the customer. Some less complex loans to small businesses are evaluated by the Bank using retail product models.

Consumer lending and residential mortgages

Consumer lending comprises lending for purposes not related to commercial and entrepreneurial activities, including non-collateralized lending. Evaluation of these products is carried out using an automated system for processing credit applications, which includes scoring social and demographic data about the client, data from the credit history bureau and other sources of information about the client, allowing to evaluate its creditworthiness and solvency. Other basic inputs used in the models are as follows: changes in the income of the population / the level of wages, the amount of personal debt, as well as the coefficient the ratio of the loan amount to the value of the acquired property in the case of mortgage lending.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Consumer lending and residential mortgages (continued)

The Bank's internal credit rating grades are as follows:

Internal rating grade	Internal rating category	Internal rating description
Low credit risk	AA to AAA	Positive financial condition
	A	Stable financial condition
Medium credit risk	BB to BBB	Satisfactory financial condition
	B	Non-stable financial condition
High credit risk	C to CCC	Non-satisfactory financial condition
Pre-default	D	Critical financial condition

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too. To calculate the EAD for a Stage 1 loan, the Bank assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3, the exposure at default is considered for events over the lifetime of the instruments.

The Bank determines the EAD indicator by simulating the range of possible results when a default occurs at different points in time, which corresponds to multiple scenarios. Then, depending on the results of the Bank's models, each economic scenario is assigned PD indicators in accordance with IFRS 9.

The Bank's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Bank has the right to cancel and/or reduce the facilities with one day's notice. The Bank does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Bank's expectations of the customer behaviour, its likelihood of default and the Bank's future risk mitigation procedures, which could include reducing or cancelling the facilities. The interest rate used to discount the ECLs for credit cards is based on the average effective interest rate that is expected to be charged over the expected period of exposure to the facilities. This estimation takes into account that many facilities are repaid in full each month and are consequently charged no interest.

Loss given default

For lending assets, LGD values are assessed at the time of consideration of the transaction at least quarterly by account managers and reviewed and approved by the Bank's credit risk department.

The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The Bank segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historically collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types) as well as borrower characteristics.

Where appropriate, further recent data and forward-looking economic scenarios are used in order to determine the IFRS 9 LGD rate for each group of financial instruments. When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key inputs involve changes in, collateral values including property prices for mortgages, commodity prices, payment status or other factors that are indicative of losses in the group.

LGD rates are estimated for the Stage 1, Stage 2, Stage 3 and POCI segment of each asset class. Baseline data for such LGD levels are evaluated and, where possible, adjusted through testing based on historical data, taking into account recent recoveries. If necessary, such data is determined for each economic scenario.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Significant increase in credit risk

The Bank continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Bank assesses whether there has been a significant increase in credit risk since initial recognition. The Bank considers an exposure to have significantly increased in credit risk when the IFRS 9 lifetime PD has increased since initial recognition and has increased by more than 200%. To assess a significant increase in credit risk, loans with a probability of default within 12 (twelve) months exceeding 5 (five) percent are considered.

The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming restructured due to credit event. In certain cases, the Bank may also consider that events explained in “Definition of default” section above are a significant increase in credit risk as opposed to a default. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

When estimating ECLs on a collective basis for a group of similar assets, the Bank applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Grouping financial assets measured on a collective basis

Dependent on the factors below, the Bank calculates ECLs either on a collective or on an individual basis.

Asset classes where the Bank calculates ECL on an individual basis include:

- all Stage 3 assets, regardless of the class of financial assets;
- commercial loan portfolio and other assets exceeding the materiality threshold of 0.2% of the Bank's equity;
- the large and unique exposures of the small business lending portfolio;
- the treasury and interbank relationships (such as amounts due from banks, cash equivalents and debt investment securities at amortised cost and FVOCI).

Asset classes where the Bank calculates ECL on a collective basis include:

- the smaller and more generic balances of the Bank’s small business lending;
- stage 1 and 2 retail mortgages and consumer lending and Stage 1 corporate lending portfolio;
- POCI financial assets exposures managed on a collective basis.

The Bank groups these exposures into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans, for example internal grade, overdue bucket, product type, loan-to-value ratios, or borrower’s industry.

To calculate the amount of an individual allowance for a borrower’s debt with a deterioration in credit quality (including impairment), expected credit losses are estimated for various debt repayment/ settlement scenarios for all borrower’s agreements based on weighted probability of estimated credit losses for various scenarios.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Assessment of expected credit losses on an individual basis

As part of the reservation on an individual basis, the following steps are distinguished:

1) determining the current strategy of working with the borrower;
2) identification of debt repayment scenarios and the likelihood of their occurrence;
3) cash flow modeling in the context of scenarios.

At the initial stage, based on all the information available at the time of the settlement, an expert assessment of the most likely loan repayment scenarios is made. Depending on the adopted strategy of working with the borrower, various scenarios can be implemented.

Collectively assessed allowances for ECL

The expected credit loss is estimated either on the basis of 12 months or the term of service, depending on whether there has been a significant increase in credit risk since the initial recognition or whether a financial asset is considered credit impaired. Expected credit losses are the discounted result of the following risk parameters - Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), defined as follows. A collective assessment of allowance for impairment of financial assets and credit related commitments is made on the basis of homogeneous groups, which are divided into a portfolio in accordance with similar credit risk characteristics.

The coefficient of probability of default (PD) is calculated using the migration matrix based on historical statistics available on the valuation date without undue cost and effort. For the purpose of PD assessment, the Bank applies a methodology based on transition probabilities between delinquency categories.

The EAD parameter is an estimate of the value of the loan claim. That is, the amount at risk of default, which includes a change in the amount of the loan claim after the reporting date, in particular, interest payments and the nominal value of a financial instrument. The initial effective financial instrument rate is used as the discount rate.

Assessment of allowance for ECL for credit related commitments

If the borrower has outstanding loans payable, the assessment of allowance for credit related commitments is carried out in accordance with the approaches applied to estimate allowance for the loans payable depending on the adopted strategy with respect to the borrower. For assessment of significant increase in the credit risk, the date of initial recognition is the date when the Bank undertake irrevocable liability.

Factors that indicate a significant increase in credit risk are applied depending on the borrower's segment. The expected credit losses for credit related commitments are estimated on an individual or collective basis depending on the amount of credit related commitments.

Assessment of allowance on individual basis for credit related commitments is carried out depending on the adopted strategy in respect to the borrower (credit or default), with consideration of the likelihood of the fulfilling a contingent liability by the Bank to the beneficiary.

For all credit related commitments of the borrower with significant and impaired outstanding amounts, the Bank shall:

- estimate the time and amount of expected cash inflows and expected cash outflows;
- estimate the difference between the current present value of the expected cash outflows and the present value of the expected cash inflows within each scenario. The rate used for discounting should reflect the market interest rate and specific risks for particular liabilities.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Allowances for credit related commitments are assessed on individual basis using reasonable judgment, taking into account the likelihood of the usage of funds by the borrower in cases when the cash flow modelling is impossible:

- if a credit strategy has been adopted for the borrower - for contingent liabilities and receivables from documentary transactions, assessment is carried out on a collective basis; for credit lines, an assessment is the difference between the present value of the expected cash outflows and the present value of the expected cash inflows, or allowance rate on outstanding loan is applied;
- if a default strategy has been adopted for the borrower - for contingent liabilities and receivables from documentary transactions, assessment is performed in a similar manner to the assessment of allowance for the outstanding loan; the allowances are not assessed for credit lines and equal to zero, due to absence of access to credit facilities.

The approach to calculating allowances for credit related commitments on a collective basis is based on three stages of provisioning similarly to the approach used for homogeneous loans.

Forward-looking information and multiple economic scenarios

The Bank conducted a sensitivity analysis of how the ECL for the main portfolios will change if the key assumptions used to calculate the ECL change by 1 percentage point. In its ECL models, the Bank relies on a broad range of forward-looking information as economic inputs, such as:

- unemployment rates;
- NBRK base rates;
- foreign exchange rates.

The Bank obtains the forward-looking information from third party sources (external rating agencies, governmental bodies for example, central banks and international financial institutions).

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Credit quality per class of financial assets

The credit quality of financial assets is managed by the Bank's internal credit ratings, as described above. The table below shows the credit quality by class of asset for loan-related lines in the separate statement financial position, based on the Bank's credit rating system.

31 December 2025	Note		High rate	Standard rate	Below the standard rate	Default	Total
Cash and cash equivalents, except for cash on hand	13	Stage 1	51,171,111	–	–	–	**51,171,111**
Financial assets at amortized cost	14	Stage 1	45,331,653	–	–	–	**45,331,653**
Financial assets at FVOCI, less shares	15	Stage 1	73,269,743	–	–	–	**73,269,743**
Amounts due from credit institutions	16	Stage 1	21,157,347	–	–	–	**21,157,347**
– Loans to large corporates		Stage 1	167,804,562	771,540	–	–	**168,576,102**
	17	Stage 2	–	–	–	–	**–**
		Stage 3	–	–	–	8,484,145	**8,484,145**
– Loans to small and		Stage 1	94,257,141	235,403	–	–	**94,492,544**
medium-sized	17	Stage 2	–	–	6,035,995	–	**6,035,995**
companies		Stage 3	–	–	–	6,542,074	**6,542,074**
– Loans to retail customers		Stage 1	35,041,588	826,787	–	–	**35,868,375**
	17	Stage 2	–	–	791,571	–	**791,571**
		Stage 3	–	–	–	5,119,574	**5,119,574**
Other financial assets	21	Stage 1	155,557	–	–	–	**155,557**
		Stage 3	–	–	3,498,286	–	**3,498,286**
Contingent financial		Stage 1	78,065,675	–	–	–	78,065,675
liabilities	32	Stage 2	–	–	4,695	–	4,695
		Stage 3	–	–	–	–	–
Total			**566,254,377**	**1,833,730**	**10,330,547**	**20,145,793**	**598,564,447**

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

31 December 2024	**Note**		**High rate**	**Standard rate**	**Below the standard rate**	**Default**	**Total**
Cash and cash equivalents, except for cash on hand	13	Stage 1	99,432,107	–	–	–	**99,432,107**
Financial assets at amortized cost	14	Stage 1	41,641,848	–	–	–	**41,641,848**
Financial assets at FVOCI	15	Stage 1	91,308,765	–	–	–	**91,308,765**
Amounts due from credit institutions	16	Stage 1	9,923,622	–	–	–	**9,923,622**
		Stage 1	66,230,041	57,180,014	–	–	**123,410,055**
– Loans to large corporates	17	Stage 2	–	–	177,000	–	**177,000**
		Stage 3	–	–		12,793,438	**12,793,438**
		Stage 1	3,584,970	58,555,819	–	–	**62,140,789**
– Loans to small and medium-	17	Stage 2	–	–	1,156,101	–	**1,156,101**
sized companies		Stage 3	–	–	–	7,870,937	**7,870,937**
		Stage 1	10,379,152	16,444,179	–	–	**26,823,331**
– Loans to retail customers	17	Stage 2	–	–	124,859	–	**124,859**
		Stage 3	–	–	–	3,166,533	**3,166,533**
Other financial assets	21	Stage 1	208,600	–	–	–	**208,600**
		Stage 3	–	–	5,085,568	–	**5,085,568**
Contingent financial liabilities	31	Stage 1	33,891,182	43,246,430	–	–	**77,137,612**
		Stage 2	–	–	1,184,678	–	**1,184,678**
		Stage 3	–	–	–	583,924	**583,924**
Total			**356,600,287**	**175,426,442**	**7,728,206**	**24,414,832**	**564,169,767**

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that:

- are offset in the Bank's separate statement of financial position; or
- are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the separate statement of financial position.

Similar financial instruments include derivatives, sales and repurchase agreements, reverse sale and repurchase agreements and securities borrowing and lending agreements.

The Bank conducts derivative transactions that are not transacted on the exchange through a central counterparty. Management believes that such settlements are, in effect, equivalent to net settlement and that, the Bank meets the net settlement criterion as this gross settlement mechanism has features that eliminate or result in insignificant credit and liquidity risk, and that the Bank will process receivables and payables in a single settlement process or cycle.

The Bank receives and accepts collateral in the form of deposits in relation to loans issued to customers and in the form of securities traded on the market in relation to repo and reverse repo transactions.

This means that securities received / given as collateral can be pledged or sold during the term of the transaction but must be returned on maturity of the transaction. The terms also give each counterparty the right to terminate the related transitions upon the counterparty's failure to post collateral.

30. RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

Offsetting financial assets and financial liabilities (continued)

The table below presents financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar arrangements as at 31 December 2025:

Types of financial assets/ liabilities	Gross amounts of recognised financial asset/ (liability)	Net amount of financial assets/ (liabilities) presented in the separate statement of financial position	Related amounts not offset in the separate statement of financial position		Net amount
			Financial instruments	Cash collateral received	
Loans to customers	184,266,073	184,266,073	–	(57,565,766)	126,700,307
Total financial assets	**184,266,073**	**184,266,073**	**–**	**(57,565,766)**	**126,700,307**
Amounts due to customers	(57,742,610)	(57,742,610)	–	57,742,610	–
Total financial liabilities	**(57,742,610)**	**(57,742,610)**	**–**	**57,742,610**	**–**

The table below presents financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar arrangements as at 31 December 2024:

Types of financial assets/ liabilities	Gross amounts of recognised financial asset/ (liability)	Net amount of financial assets/ (liabilities) presented in the separate statement of financial position	Related amounts not offset in the separate statement of financial position		Net amount
			Financial instruments	Cash collateral received	
Loans to customers	120,772,533	120,772,533	–	(25,092,899)	95,679,634
Total financial assets	**120,772,533**	**120,772,533**	**–**	**(25,092,899)**	**95,679,634**
Amounts due to customers	(31,072,977)	(31,072,977)	–	31,072,977	–
Total financial liabilities	**(31,072,977)**	**(31,072,977)**	**–**	**31,072,977**	**–**

30. RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk exists when the maturities of assets and liabilities do not match. The matching and or controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to liquidity management. It is unusual for financial institutions ever to be completely matched since business transactions are often of an uncertain term and of different types. An unmatched position potentially enhances profitability but can also increase the risk of losses.

The Bank maintains liquidity management with the objective of ensuring that funds will be available at all times to honor all cash flow obligations as they become due. The liquidity policy is reviewed and approved by the Management Board.

The Bank seeks to actively support a diversified and stable funding base comprising debt securities in issue, long-term and short-term loans from other banks, core corporate and retail customer deposits, accompanied by diversified portfolios of highly liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements.

The liquidity management policy requires:

- projecting cash flows by major currencies and considering the level of liquid assets necessary in relation thereto;
- maintaining a diverse range of funding sources;
- managing the concentration and profile of debts;
- maintaining debt financing plans;
- maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any interruption to cash flow;
- maintaining liquidity and funding contingency plans;
- monitoring liquidity ratios against regulatory requirements.

The Risk Department receives information from business units regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows arising from projected future business. The Treasury Department then provides for an adequate portfolio of short-term liquid assets to be maintained, largely made up of short-term liquid trading securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole.

The daily liquidity position is monitored and regular liquidity stress testing under a variety of scenarios covering both normal and more severe market conditions is performed by the Treasury Department. Under the normal market conditions, liquidity reports covering the liquidity position are presented to senior management on a weekly basis. Decisions on liquidity management are made by ALCO and implemented by the Treasury Department.

The following tables show the undiscounted cash flows on financial assets, liabilities and credit-related commitments on the basis of their earliest possible contractual maturity. The total gross inflow and outflow disclosed in the tables is the contractual, undiscounted cash flow on the financial assets, liability or credit related commitment. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called.

In accordance with the legislation of the Republic of Kazakhstan, depositors can withdraw their term deposits at any time, forfeiting in most of the cases the accrued interest. These deposits are classified in accordance with their stated maturity dates.

However, management believes that in spite of this early withdrawal option and the fact that a substantial portion of customers accounts are on demand, diversification of these customer accounts and deposits by number and type of depositors, and the past experience of the Bank indicates that these customers accounts provide a long-term and stable source of funding.

30. RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

The Bank maintains a portfolio of highly liquid marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flows.

The maturity analysis for financial assets and liabilities, reflected in the separate statement of financial position as at 31 December 2025, is as follows:

31 December 2025	On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	No maturity	Overdue	Total
Non-derivative financial assets								
Cash and cash equivalents	59,346,822	–	–	–	–	–	–	**59,346,822**
Financial assets at FVPL	–	–	–	–	–	16,153	–	**16,153**
Financial assets at FVOCI	71,097,810	616,624	4,190,791	31,807,871	343,195	2,694	–	**108,058,985**
Financial assets measured at amortized cost	–	–	1,538,219	15,260,267	61,853,043	–	–	**78,651,529**
Amounts due from credit institutions	12,207,748	3,085,102	6,247,071	–	–	–	–	**21,539,921**
Loans to customers	16,315,807	28,513,288	132,185,806	220,438,582	41,881,433	–	7,945,905	**447,280,821**
Investment in subsidiaries	–	–	–	–	–	15,002,596	–	**15,002,596**
Other financial assets	3,653,843	–	–	–	–	–	–	**3,653,843**
Total assets	**162,622,030**	**32,215,014**	**144,161,887**	**267,506,720**	**104,077,671**	**15,021,443**	**7,945,905**	**733,550,670**
Non-derivative financial liabilities								
Amounts due to banks and other credit institutions	3,904,384	2,354,187	421,615	6,483,967	18,439,276	–	–	**31,603,429**
Amounts due to customers	68,554,338	93,815,781	129,930,660	22,473,843	39,100,511	53,491,394	–	**407,366,527**
Debt securities issued	–	10,547,500	–	–	–	–	–	**10,547,500**
Subordinated debt	181,320	–	1,870,791	16,436,061	28,010,903	2,825,546	–	**49,324,621**
Lease liabilities	–	–	–	787,636	–	–	–	**787,636**
Other financial liabilities	6,312,989	–	–	–	–	–	–	**6,312,989**
Total liabilities	**78,953,031**	**106,717,468**	**132,223,066**	**46,181,507**	**85,550,690**	**56,316,940**	–	**505,942,702**
Net position	**83,668,999**	**(74,502,454)**	**11,938,821**	**221,325,213**	**18,526,981**	**(41,295,497)**	**7,945,905**	**227,607,968**

As at 31 December 2025 and 2024, property and equipment, investment property, intangible assets, and deferred tax assets/(liabilities) are expected to be recovered/(settled) after more than one year, while other non-financial assets/(liabilities) are expected to be recovered/(settled) within one year.

30. RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

The maturity analysis for financial assets and liabilities, reflected in the separate statement of financial position as at 31 December 2024, is as follows:

31 December 2024	On demand and less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	No maturity	Overdue	Total
Non-derivative financial assets								
Cash and cash equivalents	112,833,519	–	–	–	–	–	–	**112,833,519**
Financial assets at FVPL	–	–	–	–	–	15,811	–	**15,811**
Financial assets at FVOCI	91,047,744	1,681,836	5,010,912	14,584,050	6,669,293	2,695	–	**118,996,530**
Financial assets measured at amortized cost	–	–	1,285,715	6,545,053	66,186,917	–	–	**74,017,685**
Amounts due from credit institutions	3,178,984	–	6,897,367	–	–	–	–	**10,076,351**
Loans to customers	19,156,450	19,159,765	69,262,743	176,860,563	71,789,071	–	9,629,226	**365,857,818**
Investment in subsidiaries	–	–	–	–	–	14,335,505	–	**14,335,505**
Other financial assets	5,294,168	–	–	–	–	–	–	**5,294,168**
Total assets	**231,510,865**	**20,841,601**	**82,456,737**	**197,989,666**	**144,645,281**	**14,354,011**	**9,629,226**	**701,427,387**
Non-derivative financial liabilities								
Amounts due to banks and other credit institutions	640,658	35,257	88,195	493,811	7,546,463	–	–	**8,804,384**
Amounts due to customers	68,284,188	76,415,953	159,749,196	35,692,816	11,175,515	60,090,338	–	**411,408,006**
Debt securities issued	–	547,500	547,500	10,547,500	–	–	–	**11,642,500**
Subordinated debt	188,599	–	2,057,611	17,923,315	31,676,559	2,720,249	–	**54,566,333**
Lease liabilities	–	–	–	1,017,055	–	–	–	**1,017,055**
Other financial liabilities	8,148,928	–	–	–	–	–	–	**8,148,928**
Total liabilities	**77,262,373**	**76,998,710**	**162,442,502**	**65,674,497**	**50,398,537**	**62,810,587**	–	**495,587,206**
Net position	**154,248,492**	**(56,157,109)**	**(79,985,765)**	**132,315,169**	**94,246,744**	**(48,456,576)**	**9,629,226**	**205,840,181**

31. CAPITAL MANAGEMENT

NBRK sets and monitors capital requirements for the Bank as a whole. There are no external capital requirements imposed on the Bank as a whole. The Bank sets as capital those items that are defined in accordance with the law as items constituting the capital of credit institutions.

- Tier 1 capital is a total of basic and additional capital. Basic capital comprises ordinary share capital, share premium, current and prior periods' retained earnings and reserves created thereof, less treasury share capital, intangible assets including goodwill, and current and prior periods losses, deferred tax asset net of deferred tax liability and other revaluation reserves. Additional capital comprises of perpetual contracts and paid-in preference share capital less adjustments for the Bank's investment in its own perpetual financial instruments and treasury preference shares;
- Tier 2 capital comprises subordinated debt in tenge less investments in subordinated debt of financial institutions the Bank holds 10% and more shares in.

Total capital is the sum of tier 1 and tier 2 capital. There are a set of different limitations and classification criteria applied to the above listed total capital elements.

In accordance with the regulations set by the NBRK the Bank has to maintain total capital adequacy within the following coefficients:

- a ratio of basic capital to the sum of credit risk-weighted assets, contingent liabilities and derivative financial instruments and market risk-weighted assets and contingent liabilities and quantified operational risk (k1);
- a ratio of tier 1 capital to the sum of credit risk-weighted assets, contingent liabilities and derivative financial instruments and market risk-weighted assets and contingent liabilities and quantified operational risk (k1-2);
- a ratio of total capital to the sum of credit risk-weighted assets and contingent liabilities and derivative financial instruments, market risk-weighted assets, contingent assets and liabilities, and a quantitative measure of operational risk (k2).

As at 31 December 2024 and 2023 the minimum level of ratios as applicable to the Bank are as follows:

- k1 – not less than 0.055;
- k1-2 – not less than 0.065;
- k2 – not less than 0.080;

The Bank complies with external capital requirements.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also considered and the Bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and advantages and security afforded by a sound capital position.

The Bank reported to the NBRK the normative capital ratios as at 31 December 2025 based on the amounts which were then recorded in its normative financial statements at 31 December 2025.

32. CREDIT RELATED COMMITMENTS

The Bank has outstanding credit related commitments to extend loans. These credit related commitments take the form of approved loans and credit card limits and overdraft facilities.

The Bank provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These agreements have fixed limits and generally extend for a period of up to five years. The Bank also provides guarantees by acting as settlement agent in securities borrowing and lending transactions.

The Bank applies the same credit risk management policies and procedures when granting credit commitments, financial guarantees and letters of credit as it does for granting loans to customers.

The contractual amounts of credit related commitments are set out in the following table by category. The amounts reflected in the table for credit related commitments assume that amounts are fully advanced. The amounts reflected in the table for guarantees and letters of credit represent the maximum accounting loss that would be recognized at the reporting date if counterparties failed completely to perform as contracted.

32. CREDIT RELATED COMMITMENTS (CONTINUED)

In thousands of tenge	**31 December 2025**	31 December 2024
Contracted amount		
Loan and credit line commitments	59,873,360	53,831,102
Guarantees and letters of credit	24,231,270	35,384,746
Less: allowances for credit losses on credit related commitments (Note 27)	(2,963,105)	(5,241,413)
Less: cash secured by guarantees and letters of credit issued	(3,071,155)	(5,068,221)
	78,070,370	**78,906,214**

Below is an analysis of changes in estimated reserves for ECL:

In thousands of tenge	Stage 1	Stage 2	Stage 3	Total
Allowance for ECL as at 1 January 2024	**(559,029)**	**(268)**	**(8,734,270)**	**(9,293,567)**
Net charge for the year	(477,452)	(1,738)	4,531,344	**4,052,154**
Allowance for ECL as at 31 December 2024	**(1,036,481)**	**(2,006)**	**(4,202,926)**	**(5,241,413)**
,Net charge for the year	(70,852)	1,837	2,347,323	**2,278,308**
Allowance for ECL as at 31 December 2025	**(1,107,333)**	**(169)**	**(1,855,603)**	**(2,963,105)**

Many of these credit contingencies may expire without being partially or fully funded. As a result, the contractual credit related commitments above do not necessarily represent expected cash outflows.

33. CONTINGENCIES

Tax legislation

The tax environment in the Republic of Kazakhstan is subject to change and inconsistent application and interpretations. Differences in the interpretation of Kazakhstan laws and regulations of the Bank and Kazakh authorities may lead to the accrual of additional taxes, fines and penalties.

Kazakhstani legislation and taxation practices are in a state of continuous development, and therefore subject to varying interpretations and frequent changes that may have retroactive effect. In some cases, in order to determine the taxable base, tax legislation refers to IFRS provisions, while interpretation of the relevant provisions of IFRS by Kazakhstani tax authorities may differ from the accounting policies, judgments and estimates applied by management in preparing these separate financial statements, which can lead to origination of additional tax liabilities of the Bank. Tax authorities may conduct a retrospective audit during five years after the end of the tax year. In February 2025, the Bank fulfilled its obligations as a tax agent of withholding corporate income tax by paying 9,695,000 thousand of tenge on income received by non-residents from loans issued in 2006–2007, which had been written off the Bank’s balance sheet due to the liquidation of the non-resident borrowers in their countries of residence.

The Bank's management believes that its interpretations of the relevant legislation are appropriate and the Bank's tax position will be sustained.

Legal actions and claims

In the ordinary course of business, the Bank is subject to legal actions and complaints. The Bank believes that the ultimate liability, if any, arising from such actions or complaints will not have a material adverse effect on the financial position or results of operations of the Bank.

The Bank assesses the likelihood of material liabilities arising from individual circumstances and makes provision in its separate financial statements only where it is probable that events giving rise to the liability will occur and the amount of the liability can be reasonably estimated. No provision has been made in these financial statements for any of the above described contingent liabilities.

33. CONTINGENCIES (CONTINUED)

Environmental Protection Issues

The Bank's activities may expose it to government sanctions under environmental legislation or damage its reputation due to reports of non-compliance with climate change obligations. New regulations may impose penalties for failing to take corrective action on climate-related risks, or certain advisory contracts may become onerous due to increased operating costs. In 2025, the Bank was not subject to any claims related to environmental concerns and did not identify any onerous contracts arising from climate-related issues.

34. RELATED PARTY TRANSACTIONS

Control relationships

The Bank's Parent company is J.P. Finance Group LLP. The Bank's Parent company produces publicly available consolidated financial statements. The party with ultimate control over the Bank is Mr. Sarsenov E. R., the citizen of the Republic of Kazakhstan. No publicly available financial statements are produced by the Bank's ultimate controlling party.

Transactions with the members of the Board of Directors and the Management Board

Total remuneration included in personnel expenses for the years ended 31 December 2025 and 2024 is as follows:

In thousands tenge	**2025**	2024
Key management remuneration	437,956	336,499
Social security costs	4,395	3,752
	442,351	**340,251**

These amounts include cash and non-cash benefits in respect of the members of the Board of Directors and the Management Board, totalling 8 individuals (2024: 11 individuals).

The outstanding balances and average interest rates as at 31 December 2025 and 2024 for transactions with the members of the Board of Directors and the Management Board are as follows:

In thousands tenge	**31 December 2025**	**Average interest rate, %**	31 December 2024	Average interest rate, %
Separate statement of financial position				
ASSETS				
Loans to customers	–	**11.0**	524	11.0
LIABILITIES				
Amounts due to customers	**4,943,432**	**0.0–18.5**	10,399,485	0.0–17.0
Other accounts payable	–		64	–

Amounts included in profit or loss in relation to transactions with the members of the Board of Directors and the Management Board for the year ended 31 December are as follows:

In thousands tenge	**2025**	2024
Profit or loss		
Interest income	–	80
Interest expense	**(10,887)**	(24,466)
Income on credit losses	–	–
Fee and commission income	**3,078**	4,285
Other expenses	**(10,831)**	(1,057)
Expenses on credit losses	–	(23)

34. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with other related parties

The outstanding balances and the related average interest rates as at 31 December 2025 and related profit or loss amounts of transactions for 2025 with other related parties are as follows.

In thousands of tenge	Shareholders		Subsidiaries of the bank		Other related parties		Total in thousands of tenge
	In thousands of tenge	**Average interest rate, %**	**In thousands of tenge**	**Average interest rate, %**	**In thousands of tenge**	**Average interest rate, %**	
Separate statement of financial position							
ASSETS							
Loans to customers							
- In tenge	–	–	1,315	0.1	6,013,416	6–21.25	6,014,731
Other assets							
- In tenge	–	–	93,427	0.4	17,819	4	111,246
LIABILITIES							
Amounts due to customers							
- In tenge	5,024,381	0.0–14.8	2,676,393	0–14.4	30,906,324	0–19	38,607,097
- In US dollars	11,106,115	1.0	1,989	0.90	6,867,773	0.5–3	17,975,878
- In other currencies	7	–	–	–	2,730,188	–	2,730,195
Financial lease							
- In tenge	6,800	–	–	–	–	–	6,800
Subordinated debt							
- In US dollars	9,271,400	4.0	–	–	–	–	9,271,400
Other liabilities							
- In tenge	–	–	–	–	6,971	–	6,971
Items not recognized in the separate statement of financial position						–	
Guarantees and letters of credit	–	–	–	–	343,259	–	343,259
Loan and credit line commitments	–	–	–	–	156,741	–	156,741
Profit/(loss)							
Interest income	–	–	29,953	–	1,061,154	–	1,091,106
Interest expense	(225,746)	–	(393,825)	–	(3,163,171)	–	(3,782,742)
Commission income	4,782	–	2,028	–	166,580	–	173,390

* Other related parties represent entities controlled by the ultimate controlling party of the Parent company.

34. RELATED PARTY TRANSACTIONS (CONTINUED)

Transactions with other related parties (continued)

The outstanding balances and the related average interest rates as at 31 December 2024 and related profit or loss amounts of transactions for 2024 with other related parties are as follows.

In thousands of tenge	Shareholders		Subsidiaries of the bank		Other related parties		Total in thousands of tenge
	In thousands of tenge	Average interest rate, %	In thousands of tenge	Average interest rate, %	In thousands of tenge	Average interest rate, %	
Separate statement of financial position							
ASSETS							
Loans to customers							
- In tenge	677,639	3.0–14.0	60,804	0.1	8,825,718	3.0–32.5	9,564,161
Other assets							
- In tenge	–	–	–	–	9,221	–	9,221
LIABILITIES							
Amounts due to customers							
- In tenge	5,352,461	0.0–15.3	3,162,048	0.0–14.4	60,773,951	0.0–17.5	69,288,460
- In US dollars	5,025,133	0.0–1.0	3,521	0.0–0.9	16,415,610	0.0–1.5	21,444,264
- In other currencies	–	–	–	–	4,629,357	–	4,629,357
Financial lease							
- In tenge	–	–	–	–	2,636	–	2,636
Subordinated debt							
- In US dollars	9,643,610	4.0	–	–	–	–	9,643,610
Other liabilities							
- In tenge	28	–	–	–	37,207	–	37,235
Items not recognized in the separate statement of financial position							
Guarantees and letters of credit	1,355	–	–	–	145,011	–	146,366
Loan and credit line commitments	–	–	–	–	2,429,442	–	2,429,442
Profit/(loss)							
Interest income	151,904	–	133,106	–	1,382,909	–	1,667,919
Interest expense	(11,365)	–	(407,507)	–	(5,348,323)	–	(5,767,195)
Commission income	30,437	–	2,011	–	90	–	32,538

* Other related parties represent entities controlled by the ultimate controlling party of the Parent company.

35. FAIR VALUES AND ACCOUNTING CLASSIFICATIONS

Accounting classifications and fair values

The table below sets out the carrying amounts and fair values of assets and liabilities as at 31 December 2025 and 2024:

In thousands of tenge	31 December 2025			31 December 2024		
	Carrying amount	**Fair value**	**Unrecognised gain / (loss)**	**Carrying amount**	**Fair value**	**Unrecognised gain / (loss)**
Cash and cash equivalents	59,346,822	59,346,822	–	112,833,519	112,833,519	–
Financial assets at FVPL	16,153	16,153	–	15,811	15,811	–
Financial assets at FVOCI	73,272,437	73,272,437	–	91,311,459	91,311,459	–
Financial assets at amortized cost	45,331,653	45,461,667	130,014	41,641,848	41,774,433	132,585
Amounts due from credit institutions	21,157,347	21,157,347	–	9,923,622	9,923,622	–
Loans to customers	325,910,380	327,302,318	1,391,938	237,663,043	235,809,333	(1,853,710)
Land and buildings as part of fixed assets	6,954,675	6,954,675	–	7,060,928	7,060,944	16
Investment property	2,008,179	2,008,179	–	2,655,051	2,655,051	–
Other financial assets	3,653,843	3,653,843	–	5,294,168	5,294,168	–
	537,651,489	**539,173,441**	**1,521,952**	**508,399,449**	**506,678,340**	**(1,721,109)**
Amounts due to banks and other credit institutions	29,107,769	29,107,769	–	7,561,046	7,561,046	–
Amounts due to customers	399,141,263	397,030,937	2,110,326	395,357,922	393,493,587	1,864,335
Debt securities issued	10,374,125	10,547,500	(173,375)	10,374,125	10,757,375	(383,250)
Subordinated debt	32,775,520	30,664,094	2,111,426	34,055,428	31,074,521	2,980,907
Lease liabilities	787,636	787,636	–	1,017,055	1,017,055	–
Other financial liabilities	6,312,989	6,312,989	–	8,148,928	8,148,928	–
	478,499,302	**474,450,925**	**4,048,377**	**456,514,504**	**452,052,512**	**4,461,992**
Total net financial assets	**59,152,187**	**64,722,516**	**(2,526,425)**	**51,884,945**	**54,625,828**	**(6,183,101)**

35. FAIR VALUES AND ACCOUNTING CLASSIFICATIONS (CONTINUED)

Accounting classifications and fair values (continued)

The estimates of fair value are intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, given the uncertainties and the use of subjective judgment, fair value should not be interpreted as being realizable in an immediate sale of the assets or settlement of liabilities.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Bank determines fair values using other valuation techniques.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm’s length.

The Bank uses widely recognized valuation models for determining the fair value of financial instruments. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over-the-counter derivatives like interest rate swaps.

The following methods and assumptions are used by the Bank to estimate the fair value of financial instruments not carried at fair value.

Due from credit institutions and to credit institutions

For assets and liabilities maturing within one month, the carrying amount approximates fair value due to the relatively short-term maturity of these financial instruments. For the assets and liabilities maturing in over one month, the fair value was estimated as the present value of the estimated future cash flows, discounted at the appropriate year-end interest rates.

Loans to customers

The estimate was made by discounting the scheduled future cash flows of the individual loans through the estimated maturity using market rates on attracted deposits and the average interest spread for all banks as at the respective year-end.

Amounts due to customers

Interest rates charged to customers closely approximate market interest rates and accordingly, the carrying amounts approximates fair values.

Debt securities issued

Market values have been used to determine the fair value of debt securities traded on an active market. For other debt securities, the fair value was estimated as the present value of estimated future cash flows discounted at the year-end market rates.

35. FAIR VALUES AND ACCOUNTING CLASSIFICATIONS (CONTINUED)

Fair value hierarchy

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted market price (unadjusted) in an active market for an identical instrument;
- Level 2: inputs other than quotes prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data;
- Level 3: inputs that are unobservable. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses assets and liabilities measured at fair value at 31 December 2025, by the level in the fair value hierarchy into which the fair value measurement is categorised.

In thousands of tenge		Fair value measurement using			Total
	Date of measurement	Quotes in active markets (Level 1)	Significant observable inputs (Level 2)	Significant non-observable inputs (Level 3)	
Fair value assets					
Financial assets at FVOCI	31 December 2025	73,272,437	–	–	**73,272,437**
Financial assets at FVPL	31 December 2025	16,153	–	–	**16,153**
Land and buildings as part of fixed assets	31 December 2025	–	–	6,954,675	**6,954,675**
Investment property	31 December 2025	–	–	2,008,179	**2,008,179**
Assets whose fair value is disclosed					
Cash and cash equivalents	31 December 2025	59,346,822	–	–	**59,346,822**
Amounts due from credit institutions	31 December 2025	–	21,157,347	–	**21,157,347**
Loans to customers	31 December 2025	–	–	327,302,318	**327,302,318**
Debt securities at amortized cost	31 December 2025	45,461,667	–	–	**45,461,667**
Other financial assets	31 December 2025	–	–	3,653,843	**3,653,843**
Liability whose fair value is disclosed					
Amounts due to banks and other credit institutions	31 December 2025	–	29,107,769	–	**29,107,769**
Amounts due to customers	31 December 2025	–	397,030,937	–	**397,030,937**
Debt securities issued	31 December 2025	10,547,500	–	–	**10,547,500**
Subordinated debt	31 December 2025	–	30,664,094	–	**30,664,094**
Lease liabilities	31 December 2025	–	–	787,636	**787,636**
Other financial liabilities	31 December 2025	–	–	6,312,989	**6,312,989**

35. FAIR VALUES AND CLASSIFICATIONS (CONTINUED)

Fair value hierarchy (continued)

The table below analyses assets and liabilities measured at fair value at 31 December 2024, by the level in the fair value hierarchy into which the fair value measurement is categorised.

In thousands of tenge		Fair value measurement using			Total
	Date of measurement	Quotes in active markets (Level 1)	Significant observable inputs (Level 2)	Significant non-observable inputs (Level 3)	
Fair value assets					
Financial assets at FVOCI	31 December 2024	91,311,459	–	–	**91,311,459**
Financial assets at FVPL	31 December 2024	15,811	–	–	**15,811**
Land and buildings as part of fixed assets	31 December 2024	–	–	7,060,944	**7,060,944**
Investment property	31 December 2024	–	–	2,655,051	**2,655,051**
Assets whose fair value is disclosed					
Cash and cash equivalents	31 December 2024	112,833,519	–	–	**112,833,519**
Amounts due from credit institutions	31 December 2024	–	9,923,622	–	**9,923,622**
Loans to customers	31 December 2024	–	–	235,809,333	**235,809,333**
Debt securities at amortized cost	31 December 2024	41,774,433	–	–	**41,774,433**
Other financial assets	31 December 2024	–	–	5,294,168	**5,294,168**
Liability whose fair value is disclosed					
Amounts due to banks and other credit institutions	31 December 2024	–	7,561,046	–	**7,561,046**
Amounts due to customers	31 December 2024	–	393,493,587	–	**393,493,587**
Debt securities issued	31 December 2024	10,757,375	–	–	**10,757,375**
Subordinated debt	31 December 2024	–	31,074,521	–	**31,074,521**
Lease liabilities	31 December 2024	–	–	1,017,055	**1,017,055**
Other financial liabilities	31 December 2024	–	–	8,148,928	**8,148,928**

For the years ended 31 December 2025 and 2024, there were no transfers between Levels 1, 2, and 3.

Unobservable valuation differences on initial recognition

In many cases all significant inputs into the valuation techniques are wholly observable, for example, by reference to information from similar transactions in the currency market. In cases where all inputs are not observable, for example because there are no observable trades in a similar risk at the reporting date, the Bank uses valuation techniques that rely on unobservable inputs – e.g. volatilities of certain underlying, expectations of termination periods. When fair value at initial recognition is not evidenced by a quoted price in an active market or based on a valuation technique that uses data only from observable markets, any difference between the fair value at initial recognition and the transaction price is not recognised in profit or loss immediately but is deferred (see Note 3).

36. EVENTS AFTER THE REPORTING PERIOD

On 12 March 2026, the Bank fully redeemed the fourth issue bonds in the amount of 10,000,000 thousand tenge and paid coupon interest on these bonds in the amount of 547,500 thousand tenge.