

**«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT
INTERNATIONAL BANK» JOINT – STOCK COMPANY**

**Separate Financial Statements in accordance with
IFRS Accounting Standards and
Independent Auditor's Report**

For the year ended 31 December 2025

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Independent Auditor's Report

To the Shareholders and the Board of Directors of «ASSOCIATED BANK «KAZAKHSTAN-ZIRAAT INTERNATIONAL BANK» JOINT-STOCK COMPANY

Our opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of «ASSOCIATED BANK «KAZAKHSTAN-ZIRAAT INTERNATIONAL BANK» JOINT-STOCK COMPANY (the "Bank") as at 31 December 2025, and the Bank's separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The Banks's separate financial statements comprise:

- the separate statement of financial position as at 31 December 2025;
- the separate statement of comprehensive income for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate statement of cash flows for the year then ended; and
- the notes to the separate financial statements, comprising material accounting policy information and other explanatory information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the ethical requirements of the Law on Audit Activity that are relevant to our audit of the separate financial statements in the Republic of Kazakhstan and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Republic of Kazakhstan and the IESBA Code.

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, 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 has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank'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 judgement and maintain professional scepticism 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.
- 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 the Bank's 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.

On behalf of PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP



Approved by:

Akonraev

Azamat Konraev
Managing Director
PricewaterhouseCoopers LLP
(General State License of the Ministry of
Finance of the Republic of Kazakhstan
№0000005 dated 21 October 1999)

Signed by:

Akhmetova

Aigul Akhmetova
Partner
Auditor in charge
(Qualified Auditor's Certificate №0000083
dated 27 August 2012)



27 March 2026
Almaty, Kazakhstan

«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY
Separate Statement of Financial Position as at 31 December 2025

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2025	31 December 2024
ASSETS			
Cash and cash equivalents	8	101,225,389	105,214,700
Due from other banks		5,343	-
Investment securities carried at amortized cost	9	1,021,650	1,027,054
Investments	12	7,001	554,379
Loans to customers	10	188,073,012	172,082,310
Corporate income tax prepayment		26,278	26,278
Other assets	13	958,006	1,791,672
Property and equipment	11	5,889,398	4,823,657
Intangible assets	11	1,050,946	792,465
Non-current assets held for sale	14	6,895,384	8,489,108
TOTAL ASSETS		305,152,407	294,801,623
LIABILITIES			
Due to other banks and credit institutions	15	22,246,701	22,270,571
Customer accounts	16	163,260,454	171,863,434
Lease liabilities	17	651,867	483,702
Deferred corporate income tax liability		326,362	183,695
Other liabilities	18	1,266,538	890,002
TOTAL LIABILITIES		187,751,922	195,691,404
EQUITY			
Share capital	19	48,500,000	48,500,000
Retained earnings		67,443,389	49,116,297
Reserve funds	19	1,177,175	1,177,175
Revaluation reserve for property and equipment		279,921	316,747
TOTAL EQUITY		117,400,485	99,110,219
TOTAL LIABILITIES AND EQUITY		305,152,407	294,801,623

Signed and authorized for issue on behalf of the Management Board of the Bank on 27 March 2026


 Savas Zorlu
 Chairman of the Management Board


 Anna Chernova
 Chief Accountant


«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY
Separate Statement of Comprehensive Income for the year ended 31 December 2025

<i>In thousands of Kazakhstani Tenge</i>	Note	2025	2024
Interest income calculated using effective interest rate	20	39,042,245	27,424,894
Interest expense	20	(11,659,222)	(7,436,416)
Net interest margin		27,383,023	19,988,478
(Expenses)/Recovery of previously created reserves for credit losses	21	(479,229)	13,752,591
Net interest income after expected credit losses		26,903,794	33,741,069
Commission income	22	1,665,266	1,715,285
Commission expense	22	(764,786)	(555,243)
Net gains from transactions in foreign currencies:			
- dealing		2,087,134	2,461,914
- translation differences		19,886	59,608
Other income		548,185	434,675
Administrative and other operating expenses	23	(6,101,584)	(5,509,588)
Profit before corporate income tax expense		24,357,895	32,347,720
Corporate income tax expense	24	(6,067,629)	(7,041,003)
PROFIT FOR THE YEAR		18,290,266	25,306,717
Other comprehensive income for the year		-	-
Total comprehensive income for the year		18,290,266	25,306,717
Basic and diluted earnings per share (in Tenge)	19	377.12	521.79

Signed and authorized for issue on behalf of the Management Board of the Bank on 27 March 2026


 Savas Zorlu
 Chairman of the Management Board






 Anna Chernova
 Chief Accountant

«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY
Separate Statement of Changes in Equity for the year ended 31 December 2025


<i>In thousands of Kazakhstani Tenge</i>	Note	Share capital	Reserve funds	Revaluation reserve for property and equipment	Retained earnings	Total equity
As at 1 January 2024		48,500,000	1,177,175	779,176	23,347,151	73,803,502
Profit for the year		-	-	-	25,306,717	25,306,717
Other comprehensive income		-	-	-	-	-
Total comprehensive income for 2024		-	-	-	25,306,717	25,306,717
Transfer from the revaluation reserve for property and equipment		-	-	(462,429)	462,429	-
As at 31 December 2024	19	48,500,000	1,177,175	316,747	49,116,297	99,110,219
Profit for the year		-	-	-	18,290,266	18,290,266
Other comprehensive income		-	-	-	-	-
Total comprehensive income for 2025		-	-	-	18,290,266	18,290,266
Transfer from the revaluation reserve for property and equipment		-	-	(36,826)	36,826	-
As at 31 December 2025	19	48,500,000	1,177,175	279,921	67,443,389	117,400,485

Signed and authorized for issue on behalf of the Management Board of the Bank on 27 March 2026





 Savas Zorlu
 Chairman of the Management Board



 Anna Chernova
 Chief Accountant

«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY
Separate Statement of Cash Flows for the year ended 31 December 2025

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2025	31 December 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		34,736,343	31,935,142
Interest paid		(11,389,691)	(7,356,456)
Fees and commissions received		1,661,851	1,727,880
Fees and commissions paid		(764,786)	(555,243)
Net gains from dealing in foreign currencies		2,087,134	2,461,914
Other operating income received		9,458	55,849
Personnel expenses paid		(2,510,017)	(1,926,531)
Dividends received		251,874	155,003
Administrative and other operating expenses paid		(2,792,204)	(2,885,588)
Corporate income tax paid		(5,924,962)	(7,065,000)
Cash flows from operating activities before changes in operating assets and liabilities		15,365,000	16,546,970
<i>Net (increase)/decrease in operating assets</i>			
Due from other banks		(5,000)	982,850
Loans and advances to customers		(14,478,052)	(49,904,939)
Other assets		828,731	532,454
<i>Net increase/(decrease) in operating liabilities</i>			
Due to other banks and credit institutions		688,475	18,265,590
Customer accounts		(6,312,302)	8,429,449
Other liabilities		(139,934)	185,441
Net cash used in operating activities		(4,053,082)	(4,962,185)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment securities		547,378	-
Purchase of property and equipment, intangible assets and non-current assets held for sale		(1,729,927)	(637,824)
Proceeds from sale of property and equipment		1,861,274	2,306,468
Net cash flows from investing activities		678,725	1,668,644
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of the principal amount of the lease debt		(267,204)	(224,321)
Net cash used in financing activities		(267,204)	(224,321)
Effect of expected credit losses on cash and cash equivalents	8	2,879	2,750
Effect of exchange rate changes on cash and cash equivalents		(350,629)	3,502,173
Net decrease in cash and cash equivalents		(3,989,311)	(12,939)
Cash and cash equivalents as at beginning of the year		105,214,700	105,227,639
Cash and cash equivalents as at the end of the year	8	101,225,389	105,214,700

Signed and authorized for issue on behalf of the Management Board of the Bank on 27 March 2026



 Savas Zorlu
 Chairman of the Management Board



 Anna Chernova
 Chief Accountant

1 Organizational Structure and Description of Activities

«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY (the "Bank") was registered in 1993 in accordance with the legislation of the Republic of Kazakhstan. The Bank conducts its activities under the general bank license No. 1.2.67/241 issued by the Agency of the Republic of Kazakhstan for regulation and development of financial market (the "Agency") on 3 February 2020.

The Bank accepts deposits from the public and extends loans and perform transfers of cash in Kazakhstan and abroad, exchanges currencies and provides other banking services to its commercial and retail customers.

The Bank is a member of the obligatory deposit insurance system. The system operates under the Law of the Republic of Kazakhstan on "Obligatory Insurance of Second Tier Banks Deposits" dated 7 July 2006 and is governed by the National Bank of the Republic of Kazakhstan (hereinafter - NBRK). The insurance covers the Bank's obligations: up to 20 million Tenge on savings deposits in the national currency, up to 10 million Tenge on cards, accounts and other deposits in the national currency, and up to 5 million Tenge on guaranteed deposits in foreign currency to each individual depositor in case of bankruptcy and revocation of the NBK license to carry out banking activities. Since 1993, the Bank has been a member of the Kazakhstan Stock Exchange (hereinafter referred to as the "KSE") and has been involved in foreign exchange transactions.

As of 31 December 2025, the Bank's branch network includes 7 branches and 1 banking service center located in the Republic of Kazakhstan (as of 31 December 2024: 7 branches, 1 banking service center).

Registered address of the Bank's head office: Republic of Kazakhstan, A05F8G3, Almaty, st. Naurzybay Batyr, building 17A, 3rd floor.

As at 31 December 2025 and 2024, the shareholders of the Bank were as follows:

Shareholder	31 December 2025, %	31 December 2024, %
T.C. Ziraat Bankasi A.S.	99.92	99.92
Emlak Planlama Insaat Proje Yonetimi ve Ticaret A.S.	0.08	0.08
Total	100.00	100.00

As of 31 December 2025 and 2024, the controlling shareholder of the Bank is T.S. Ziraat Bankasi AS (Turkey) (hereinafter referred to as the "Parent Organization" or "Controlling Shareholder"). The sole shareholder of T.C. Ziraat Bankasi A.S. is the Turkey Wealth Fund.

2 Operating Environment of the Bank

War between Russia and Ukraine

The long-term effects of the current political situation and its impact on economic situation are difficult to predict and management's current expectations and estimates could differ from the actual results.

Operating environment

In July 2025 Fitch Ratings, an international rating agency, affirmed Kazakhstan's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'BBB' with a Stable Outlook. According to Fitch, Kazakhstan's 'BBB' IDRs are supported by large sovereign net foreign assets (SNFA), foreign exchange reserves, low government debt, rising prices of gold and expansion of the Tengiz oil field beyond expected production. Set against these factors are high commodity export dependence, weak macroeconomic policy and institutional governance, high inflation.

Kazakhstan is set to remain highly reliant on commodity exports, which account for 80% of goods exports. Hydrocarbons alone are more than 50% of goods exports, most of which are exported via Russia through the Caspian Pipeline Consortium (CPC). The CPC has experienced some regulatory and security-related disruptions, however, the risk of large-scale disruptions to CPC exports as viewed as low, given Kazakhstan's deft management of relations with Russia and the West.

In general, the economy of the Republic of Kazakhstan continues to display characteristics of an emerging market. These characteristics include, but are not limited to, the existence of a national currency that is not freely convertible outside of the country and a low level of liquidity of debt and equity securities in the markets.

2 Operating Environment of the Bank (Continued)

As at the date of issuing these separate financial statements the official exchange rate of the National Bank of the Republic Kazakhstan was Tenge 481.83 per US Dollar 1 compared to Tenge 505.53 per US Dollar 1 as at 31 December 2025 (31 December 2024: Tenge 525.11 per 1 US Dollar).

Inflation was relatively stable throughout 2025 and moderated to 12.3% in December 2025 compared to 8.6% in December 2024. The economy growth increased to 6.4% in 2025 compared to 3.8% in 2024. Analysts forecast GDP growth to stay at 6.2% in 2026.

The economic environment has a significant impact on the Bank's operations and financial position. Management is taking necessary measures to ensure sustainability of the Bank's operations. However, the future effects of the current economic situation are difficult to predict, and management's current expectations and estimates could differ from actual results.

As part of strengthening the anti-inflationary focus and improving monetary policy instruments, the National Bank of the Republic of Kazakhstan increased the minimum reserve requirement ratios in July 2025, as a result of which the Bank was required to increase the amount of funds placed with the National Bank. In order to allow the banking sector to adapt to these changes, the minimum reserve requirement ratios are being increased to the target levels gradually over the course of the year.

Additionally, financial sector in the Republic of Kazakhstan is still impacted by political, legislative, fiscal and regulatory developments. The prospects for future economic stability in the Republic of Kazakhstan are largely dependent upon the effectiveness of economic measures undertaken by the Government, together with legal and political developments, which are beyond the Bank's control.

3 Significant Accounting Policies

Basis of preparation

These separate financial statements have been prepared in accordance with IFRS Accounting Standards.

These separate financial statements have been prepared under the historical cost convention, except for financial instruments initially recognized at fair value and land and buildings included in property, plant and equipment, funds measured at fair value. The significant accounting policies applied in the preparation of these separated financial statements are set out below. These principles have been applied consistently to all periods presented in the separated financial statements, unless otherwise stated.

These separate financial statements are addressed to the primary users, which are the Shareholder, the Agency and the Bank's customers. These Separate financial statements assume that key users have reasonable knowledge of the business and economic activities of the Bank and have appropriately verified and evaluated the information. On occasion, even knowledgeable and careful users may require the assistance of an advisor to understand complex economic information reflected in these Separate financial statements.

The objective of these separate financial statements is to disclose information that management considers to be material to its principal users. Management is careful not to impair the understandability of these financial statements by obscuring material information by immaterial information. The Separate financial statements disclose only significant accounting policies, where appropriate, in the related disclosure notes.

As at 31 December 2025, the Bank held a 100% ownership interest in one subsidiary engaged in the management of distressed assets (as at 31 December 2024: in two subsidiaries). Detailed information is presented in Note 12.

Controlled entities have not been consolidated into these separate financial statements. Investments in controlled entities were accounted for at cost. These separate financial statements are to be read in conjunction with the consolidated financial statements, which were authorized for issue by management of the Bank on 27 March 2026. The consolidated financial statements for the year ended 31 December 2025, prepared in accordance with IFRS and issued on 27 March 2026, are available from the Bank's head office at the address indicated above.

These separate financial statements are presented in thousands of Kazakhstani tenge (hereinafter referred to as "tenge"), unless otherwise stated.

3 Significant Accounting Policies (Continued)

Foreign currency translation

These separate financial statements are presented in Tenge, which is the Banks's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate established and published by KASE ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Gains and losses resulting from the translation of foreign currency transactions are recognized in the Separate statement of comprehensive income as net gains from foreign currencies – translation differences. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the official exchange rates at the date when the fair value was determined.

Differences between the contractual exchange rate of a transaction in a foreign currency and the official KASE exchange rate on the date of the transaction are included in net gains from dealing in foreign currencies. The KASE market exchange rates on 31 December 2025 and 2024, were 505.53 Tenge and 525.11 Tenge to 1 US Dollar, respectively.

Presentation of Financial Instruments by Measurement Category

All financial assets of the Bank, except for derivatives, are classified as financial assets measured at amortised cost. All financial liabilities of the Bank, except for derivatives, are classified as financial liabilities measured at amortised cost. Derivatives were classified as measured at fair value through profit or loss.

4 Significant Accounting Judgements and Estimates

The Bank makes accounting estimates and assumptions that affect the amounts recognized in the financial statements and the carrying amounts of assets and liabilities in the next financial year.

Accounting estimates and judgments are subject to ongoing review and are based on management's past experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying accounting policies, management also makes judgments other than those related to accounting estimates. Judgments that have the most significant effect on the amounts recognized in the financial statements and accounting estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following:

Expected credit losses/impairment losses on financial assets

The measurement of impairment losses under IFRS 9 across all categories of financial assets requires judgement, in particular the timing of future cash flows and the value of collateral must be assessed when determining ECL/impairment losses and assessing 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 criteria for assessing if there has been a significant increase in credit risk and as a result allowances for financial assets should be measured on a life-time ECL 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 formulas and the choice of inputs;
- determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PD, EAD and LGD;
- selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model.

More details are provided in Notes 10 and 26.

4 Significant Accounting Judgements and Estimates (Continued)

Significant increase in credit risk

To determine whether there has been a significant increase in credit risk, the Bank compares the risk of default occurring over the life of a financial instrument at the reporting date with the risk of default occurring at the date of initial recognition. The assessment process considers the relative increase in credit risk rather than the specific level of credit risk at the reporting date. The Bank takes into account all reasonable and supportable forward-looking information that is available without undue cost and effort, including a number of factors, including the behavioral aspects of specific client portfolios. The Bank determines behavioral indications of an increase in credit risk prior to default and includes relevant forward-looking information in credit risk assessments at the individual instrument or portfolio level. If the ECL on all loans to customers were measured as lifetime ECL (i.e., including those currently in Stage 1 and measured as 12-month ECL), the allowance for expected credit losses as at 31 December 2025 would have been Tenge 372,885 thousand more (31 December 2024: Tenge 513,940 thousand more).

A 10% increase or decrease in the probability of default as at 31 December 2025 would have increased or decreased the total allowance for expected credit losses by KZT 313,588 thousand (31 December 2024: increase or decrease by KZT 285,960 thousand). A 10% increase or decrease in loss in case of default as at 31 December 2025 would have increased or decreased the total allowance for expected credit losses by KZT 350,718 thousand (31 December 2024: increase or decrease by 213,427 thousand Tenge).

5 Adoption of New or Revised Standards and Interpretations

The following new standards and the amendments became effective from 1 January 2025:

Amendments to IAS 21 Lack of Exchangeability (Issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025).

Unless otherwise stated, the adoption of the above amendments did not have a material impact on the Bank's financial statements.

6 New Accounting Pronouncements

Certain new standards and interpretations have been issued that are mandatory for the annual periods beginning on or after 1 January 2026 or later, and which the Bank has not early adopted.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026).
- Annual Improvements to IFRS Accounting Standards (Issued in July 2024 and effective from 1 January 2026).
- Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (Issued on 18 December 2024 and effective from 1 January 2026).
- IFRS 18 Presentation and Disclosure in Financial Statements (Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027).
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027).
- Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures (Issued on 21 August 2025 and effective from 1 January 2027).
- IFRS 14, Regulatory Deferral Accounts (issued on 30 January 2014 and effective for annual periods beginning on or after 1 January 2016).
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture –Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB).

Unless otherwise described above, the new standards and interpretations are not expected to affect significantly the Bank's financial statements except for IFRS 18, where the Bank is currently assessing the impact of the amendments on its financial statements.

7 Segment Information

Operating segments are components of the Bank that engage in business activities that may earn revenue or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available. Management Board of the Bank is the operating decision maker of the Bank.

Description of products and services from which each reportable segment derives its revenue.

The Bank is established based on one major business segment – corporate banking, representing direct debit instruments, current accounts, deposits, overdrafts, loans and other credit instruments and foreign exchange products. The Bank also conducts retail banking transactions that represent banking services to individuals, customer current accounts, savings, deposits, consumer loans.

Segment information for the reportable segments as at 31 December 2025 and for the year ended on that date is set out below:

<i>In thousands of Kazakhstani Tenge</i>	Corporate banking	Retail banking	Total
As at 31 December 2025			
ASSETS			
Cash and cash equivalents	101,225,389	-	101,225,389
Due from other banks	5,343	-	5,343
Investment securities carried at amortized cost	1,021,650	-	1,021,650
Loans to customers	185,635,877	2,437,135	188,073,012
Total assets of reportable segments	287,888,259	2,437,135	290,325,394
Unallocated amounts			14,827,013
TOTAL ASSETS			305,152,407
LIABILITIES			
Due to other banks and credit institutions	22,246,701	-	22,246,701
Customer accounts	113,206,914	50,053,540	163,260,454
Total liabilities of reportable segments	135,453,615	50,053,540	185,507,155
Unallocated amounts			2,244,767
TOTAL LIABILITIES			187,751,922

7 Segment Information (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Corporate banking	Retail banking	Total
2025			
Interest income calculated using effective interest rate	38,583,212	459,033	39,042,245
Interest expense	(8,162,010)	(3,497,212)	(11,659,222)
Net interest margin	30,421,202	(3,038,179)	27,383,023
Provisions for credit losses	(468,164)	(11,065)	(479,229)
Net interest income/(loss) after expected credit losses	29,953,038	(3,049,244)	26,903,794
Commission income	1,351,766	313,500	1,665,266
Commission expense	(764,786)	-	(764,786)
Net gain from transactions in foreign currencies:			
- dealing	2,087,134	-	2,087,134
- translation differences	19,886	-	19,886
Other income	548,185		548,185
Administrative and other operating expenses	(5,919,311)	(182,273)	(6,101,584)
Segment results	27,275,912	(2,918,017)	24,357,895
Corporate income tax expense			(6,067,629)
PROFIT FOR THE YEAR			18,290,266

Segment information for the reportable segments as at 31 December 2024 and for the year ended on that date is set out below:

<i>In thousands of Kazakhstani Tenge</i>	Corporate banking	Retail banking	Total
As at 31 December 2024			
ASSETS			
Cash and cash equivalents	105,214,700	-	105,214,700
Investment securities carried at amortized cost	1,027,054	-	1,027,054
Loans to customers	169,311,913	2,770,397	172,082,310
Total assets of reportable segments	275,553,667	2,770,397	278,324,064
Unallocated amounts			16,477,559
TOTAL ASSETS			294,801,623
LIABILITIES			
Due to other banks and credit institutions	22,270,571	-	22,270,571
Customer accounts	133,578,373	38,285,061	171,863,434
Total liabilities of reportable segments	155,848,944	38,285,061	194,134,005
Unallocated amounts			1,557,399
TOTAL LIABILITIES			195,691,404

7 Segment Information (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Corporate banking	Retail banking	Total
2024			
Interest income calculated using effective interest rate	26,397,536	1,027,358	27,424,894
Interest expense	(4,983,634)	(2,452,782)	(7,436,416)
Net interest income/(loss)	21,413,902	(1,425,424)	19,988,478
Recovery of previously created reserves for credit losses	13,735,733	16,858	13,752,591
Net interest income/(loss) after expected credit losses	35,149,635	(1,408,566)	33,741,069
Fee and commission income	1,449,495	265,790	1,715,285
Fee and commission expense	(555,243)	-	(555,243)
Net gain from transactions in foreign currencies:			
- dealing	2,461,914	-	2,461,914
- translation differences	59,608	-	59,608
Other income	434,675	-	434,675
Administrative and other operating expenses	(5,397,971)	(111,617)	(5,509,588)
Segment results	33,602,113	(1,254,393)	32,347,720
Corporate income tax expense			(7,041,003)
PROFIT FOR THE YEAR			25,306,717

Income of the Bank other than interest income from deposits with other banks, is generated in the Republic of Kazakhstan. Geographic areas of the Bank's activities are presented in Note 26 to these separate financial statements on the basis of the actual location of the counterparty, i.e., on the basis of economic risk rather than legal risk of the counterparty. The Bank has no customers, which would bring more than ten percent of the total income earned in 2025 and 2024.

8 Cash and Cash Equivalents

Cash and cash equivalents comprise of the following:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Time deposits with NBRK up to 90 days	58,627,672	62,524,740
Time deposits with Credit Institutions up to 90 days	25,931,261	34,422,315
Current accounts with the NBRK	12,975,707	6,050,507
Cash on hand	2,166,519	1,774,848
Current accounts with other banks	1,524,607	445,572
Total cash and cash equivalents	101,225,766	105,217,982
Less ECL allowance	(377)	(3,282)
Total cash and cash equivalents	101,225,389	105,214,700

Cash and cash equivalents include cash on hand, funds in the NBRK and funds in credit institutions, including deposits maturing within ninety days from the date of origin and not encumbered by any contractual obligations.

8 Cash and Cash Equivalents (Continued)

The table below provides an analysis of cash and cash equivalents by credit quality as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Cash balances with the NBRK, including mandatory reserves	Time deposits with Other Banks	Correspondent accounts with other banks	Total
<i>Neither past due nor impaired</i>				
- A- to A rated	-	17,695,222	132,370	17,827,592
- NBRK (BBB rated)	71,603,379	-	-	71,603,379
- BBB- to BBB+ rated	-	-	1,154,429	1,154,429
- BB- to BB+ rated	-	8,236,039	204,651	8,440,690
- B- to B+ rated	-	-	33,157	33,157
Gross carrying amount, excluding cash on hand	71,603,379	25,931,261	1,524,607	99,059,247
ECL allowance	-	(365)	(12)	(377)
Total cash and cash equivalents, excluding cash on hand	71,603,379	25,930,896	1,524,595	99,058,870

The table below provides an analysis of cash and cash equivalents by credit quality as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Cash balances with the NBRK, including mandatory reserves	Time deposits with Other Banks	Correspondent accounts with other banks	Total
<i>Neither past due nor impaired</i>				
- A- to A rated	-	5,030,427	15,888	5,046,315
- NBRK (BBB rated)	68,575,247	-	-	68,575,247
- BBB- to BBB+ rated	-	-	48,993	48,993
- BB- to BB+ rated	-	15,754,468	93,106	15,847,574
- B- to B+ rated	-	13,637,420	287,585	13,925,005
Gross carrying amount, excluding cash on hand	68,575,247	34,422,315	445,572	103,443,134
ECL allowance	-	(3,276)	(6)	(3,282)
Total cash and cash equivalents, excluding cash on hand	68,575,247	34,419,039	445,566	103,439,852

The Bank assesses the credit quality of cash and cash equivalents based on external ratings assigned to banks by independent international rating agencies: S&P, Moody's and Fitch.

For purposes of measuring expected credit losses, cash and cash equivalent balances are included in Stage 1 as of 31 December 2025 and 31 December 2024. The approach to measuring expected credit losses is described in Note 26.

Minimum reserve requirements

Under Kazakh legislation, the Bank is required to maintain reserve assets, which are computed as a percentage of certain liabilities of the Bank. Such reserves must be held on the current account with the NBRK or physical cash computed based on average monthly balances of the aggregate of cash balances on current account with the NBRK and/or physical cash in national currency during the period of reserve creation. As at 31 December 2025, obligatory reserves amounted to 10,479,462 thousand Tenge (as at 31 December 2024: 3,772,098 thousand Tenge).

9 Investment Securities Carried at Amortized Cost

Investment securities carried at amortized cost include:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Treasury bonds of the Ministry of Finance of the RK	1,022,517	1,028,276
Expected credit losses	(867)	(1,222)
Total carrying amount of investment securities carried at amortized cost	1,021,650	1,027,054

The securities in the Bank's portfolio are represented by government securities of the Republic of Kazakhstan and are rated BBB-.

The approach to measuring expected credit losses is described in Note 26. The fair value measurement of investment securities carried at amortised cost is presented in Note 27.

10 Loans and Advances to Customers

Loans and advances to customers to customers comprise of the following:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Loans to small and medium businesses	141,523,955	136,634,300
Loans to major customers	50,886,007	39,105,686
Consumer loans	1,442,905	1,582,236
Mortgage loans	1,177,266	1,385,561
Total carrying amount of loans and advances to customers measured at amortized cost before ECL	195,030,133	178,707,783
Less ECL allowance	(6,957,121)	(6,625,473)
Total loans to customers	188,073,012	172,082,310

As of 31 December 2025 and 2024, the Bank classifies loans to customers with an average annual number of employees of more than two hundred and fifty people and (or) an average annual income of more than three million monthly calculation index as of the loan issuance date as "loans issued to large customers"; customers with an average annual number of employees of no more than two hundred and fifty people and (or) an average annual income of no more than three million monthly calculation indicators as of the date of issuance of the loan, as "loans issued to small and medium-sized businesses." The monthly calculation index as at 31 December 2025 was KZT 3,932 (31 December 2024: KZT 3,692). Loans granted to individuals secured by real estate are classified by the Bank as "mortgage loans". All other loans to individuals are classified by the Bank as "consumer loans".

Restructured loans

Where possible, the Bank seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. The Bank derecognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

The newly recognized loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI. 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 criterion.

10 Loans and Advances to Customers (Continued)

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 loss from modification of financial assets measured at amortized cost as a part of profit or loss that are presented as a part of interest revenue calculated using the effective interest rate in the consolidated statement of profit or loss before an impairment loss is recognized.

For modifications not resulting in derecognition, the Bank also reassesses whether there 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 for a minimum 3-month probation period. In order for the restructured loan to be reclassified out of Stage 3, impairment indicators should be eliminated and at least three subsequent payments have been made in accordance with the modified payment schedule.

Assessment of impairment of financial assets

The Bank calculates ECL based on several probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- 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 derecognized and is still in the portfolio.
- 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.
- 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 realization 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.

The Bank has established a policy 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 combines its loans into the following groups:

- Stage 1:** When loans are first recognized, the Bank recognizes an allowance based on 12mECL. 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 records an allowance for the LTECL.
- POCI:** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest revenue is subsequently recognized based on a credit-adjusted EIR. ECL are only recognized or released to the extent that there is a subsequent change in the lifetime expected credit losses.

10 Loans and Advances to Customers (Continued)

Definition of default and cure

The Bank considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments. The Bank considers amounts due from banks defaulted and takes immediate action when the required intraday payments are not settled by the close of business as outlined in the individual agreements.

As a part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- restructuring of the loan due to deterioration of financial position of the borrower;
- a material decrease in the underlying collateral value more than 50% during 6 month period;
- death of the borrower; the borrower is deceased: loss or unsuitability of the underlying collateral during 6 month period.

It is the Bank's policy to consider a financial instrument as 'improved' and therefore re-classified out of Stage 3 when none of the default criteria have been present for at least three consecutive months. In order for the restructured loan to be reclassified out of Stage 3, impairment indicators should be eliminated and at least three subsequent payments have been made in accordance with the modified payment schedule.

Allowance for impairment of loans to customers measured at amortized cost.

Below is an analysis of changes in gross carrying amount and related ECL for loans issued to large customers for the year ended 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
Gross carrying amount as at 1 January 2025	39,105,686	-	-	39,105,686
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	48,189,832	-	-	48,189,832
Derecognition during the period	(35,403,148)	(211,036)	-	(35,614,184)
Transfers to Stage 2	(5,202,000)	5,202,000	-	-
Net change in accrued interest	508,667	55,249	-	563,916
Total changes affecting credit loss allowance charge for the period	8,093,351	5,046,213	-	13,139,564
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Positive and negative foreign exchange differences	(1,359,243)	-	-	(1,359,243)
As at 31 December 2025	45,839,794	5,046,213	-	50,886,007

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
ECL as at 1 January 2025	(172,294)	-	-	(172,294)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(416,377)	-	-	(416,377)
Transfers to Stage 2	22,919	(22,919)	-	-
Derecognition during the period	155,981	-	-	155,981
Change in ECL as a result of transfers between Stages or changes in source data	209,585	(124,612)	-	84,973
Total changes affecting credit loss allowance charge for the period	(27,892)	(147,531)	-	(175,423)
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Positive and negative foreign exchange differences	8,186	-	-	8,186
As at 31 December 2025	(192,000)	(147,531)	-	(339,531)

An analysis of changes in the gross carrying value and corresponding ECL in relation to lending to small and medium businesses during the year ended 31 December 2025 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
Gross carrying amount as at 1 January 2025	110,006,163	19,102,760	7,525,377	136,634,300
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	116,052,906	-	-	116,052,906
Derecognition during the period	(100,206,341)	(2,582,322)	(10,455,977)	(113,244,640)
Transfers to Stage 1	230,634	(230,634)	-	-
Transfers to Stage 2	(1,700,581)	1,700,581	-	-
Transfers to Stage 3	(6,023,433)	(17,465)	6,040,898	-
Net change in accrued interest	1,202,571	1,678,668	9,637	2,890,876
Total changes affecting credit loss allowance charge for the period	9,555,756	548,828	(4,405,442)	5,699,142
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Compensations	-	-	2,075	2,075
Positive and negative foreign exchange differences	(823,518)	(115,160)	127,116	(811,562)
As at 31 December 2025	118,738,401	19,536,428	3,249,126	141,523,955

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
ECL as at 1 January 2025	(2,399,334)	(1,999,163)	(1,857,282)	(6,255,779)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(1,767,461)	-	-	(1,767,461)
Derecognition during the period	2,185,591	270,248	2,580,562	5,036,401
Transfers to Stage 1	(2,714)	2,714	-	-
Transfers to Stage 2	50,504	(50,504)	-	-
Transfers to Stage 3	85,568	175	(85,743)	-
Change in ECL as a result of transfers between Stages or changes in source data	(1,250,296)	(314,514)	(2,021,757)	(3,586,567)
Total changes affecting credit loss allowance charge for the period	(698,808)	(91,881)	473,062	(317,627)
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Compensations	-	-	(2,075)	(2,075)
Positive and negative foreign exchange differences	74,991	28,307	37,629	140,927
As at 31 December 2025	(3,023,151)	(2,062,737)	(1,348,666)	(6,434,554)

An analysis of changes in the gross carrying value and corresponding ECL in relation to consumer lending during the year ended 31 December 2025 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
Gross carrying amount as at 1 January 2025	1,362,553	76,296	143,387	1,582,236
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	749,103	-	-	749,103
Derecognition during the period	(805,358)	(22,706)	(21,082)	(849,146)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(14,986)	14,986	-	-
Transfers to Stage 3	(90,109)	-	90,109	-
Net change in accrued interest	(25,586)	5,186	27,304	6,904
Total changes affecting credit loss allowance charge for the period	(186,936)	(2,534)	96,331	(93,139)
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	(28,934)	(28,934)
Compensations	-	-	3,923	3,923
Positive and negative foreign exchange differences	(25,368)	4,658	(471)	(21,181)
As at 31 December 2025	1,150,249	78,420	214,236	1,442,905

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
ECL as at 1 January 2025	(10,934)	(29,615)	(142,091)	(182,640)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(57,653)	-	-	(57,653)
Derecognition during the period	6,463	8,814	20,891	36,168
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	4,141	(4,141)	-	-
Transfers to Stage 3	3,972	-	(3,972)	-
Change in ECL as a result of transfers between Stages or changes in source data	46,178	24,559	(65,586)	5,151
Total changes affecting credit loss allowance charge for the period	3,101	29,232	(48,667)	(16,334)
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	28,934	28,934
Compensations	-	-	(3,923)	(3,923)
Positive and negative foreign exchange differences	(137)	(5)	560	418
As at 31 December 2025	(7,970)	(388)	(165,187)	(173,545)

An analysis of changes in the gross carrying value and corresponding ECL in relation to mortgage lending during the year ended 31 December 2025 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
Gross carrying amount as at 1 January 2025	1,375,803	6,484	3,274	1,385,561
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	212,884	-	-	212,884
Derecognition during the period	(422,628)	(3,735)	(960)	(427,323)
Transfers to Stage 2	(4,275)	4,275	-	-
Net change in accrued interest	6,175	(31)	-	6,144
Total changes affecting credit loss allowance charge for the period	(207,844)	509	(960)	(208,295)
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	-	-
As at 31 December 2025	1,167,959	6,993	2,314	1,177,266

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
ECL as at 1 January 2025	(11,486)	-	(3,274)	(14,760)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(3,230)	-	-	(3,230)
Derecognition during the period	3,528	-	960	4,488
Transfers to Stage 2	1	(1)	-	-
Change in ECL as a result of transfers between Stages or changes in source data	4,011	-	-	4,011
Total changes affecting credit loss allowance charge for the period	4,310	(1)	960	5,269
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	-	-
As at 31 December 2025	(7,176)	(1)	(2,314)	(9,491)

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

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
Gross carrying amount as at 1 January 2024	32,516,502	-	-	32,516,502
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	32,906,050	-	-	32,906,050
Derecognition during the period	(27,611,073)	-	-	(27,611,073)
Net change in accrued interest	(491,871)	-	-	(491,871)
Total changes affecting credit loss allowance charge for the period	4,803,106	-	-	4,803,106
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Positive and negative foreign exchange differences	1,786,078	-	-	1,786,078
As at 31 December 2024	39,105,686	-	-	39,105,686

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
ECL as at 1 January 2024	(194,435)	-	-	(194,435)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(331,299)	-	-	(331,299)
Derecognition during the period	165,103	-	-	165,103
Change in ECL as a result of transfers between Stages or changes in source data	201,953	-	-	201,953
Total changes affecting credit loss allowance charge for the period	35,757	-	-	35,757
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Positive and negative foreign exchange differences	(13,616)	-	-	(13,616)
As at 31 December 2024	(172,294)	-	-	(172,294)

An analysis of changes in the gross carrying value and corresponding ECL in relation to lending to small and medium businesses during the year ended 31 December 2024 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
Gross carrying amount as at 1 January 2024	66,119,000	9,545,241	2,172,196	77,836,437
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	130,376,400	-	-	130,376,400
Derecognition during the period	(70,051,223)	(5,997,506)	(14,623,309)	(90,672,038)
Transfers to Stage 1	32,244	(32,244)	-	-
Transfers to Stage 2	(15,482,935)	15,565,758	(82,823)	-
Transfers to Stage 3	(5,397,917)	-	5,397,917	-
Net change in accrued interest	205,521	(496,619)	(134,124)	(425,222)
Total changes affecting credit loss allowance charge for the period	39,682,090	9,039,389	(9,442,339)	39,279,140
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	(1)	(1)
Compensations	-	-	13,791,032	13,791,032
Positive and negative foreign exchange differences	4,205,073	518,130	1,004,489	5,727,692
As at 31 December 2024	110,006,163	19,102,760	7,525,377	136,634,300

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
ECL as at 1 January 2024	(1,399,231)	(2,145,153)	(1,737,279)	(5,281,663)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(2,274,742)	-	-	(2,274,742)
Derecognition during the period	1,482,445	1,347,851	9,052,584	11,882,880
Transfers to Stage 1	(6,250)	6,250	-	-
Transfers to Stage 2	1,664	(32,112)	30,448	-
Transfers to Stage 3	25,867	-	(25,867)	-
Change in ECL as a result of transfers between Stages or changes in source data	(53,624)	(1,020,527)	4,787,881	3,713,730
Total changes affecting credit loss allowance charge for the period	(824,640)	301,462	13,845,046	13,321,868
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	1	1
Compensations	-	-	(13,791,032)	(13,791,032)
Positive and negative foreign exchange differences	(175,463)	(155,472)	(174,018)	(504,953)
As at 31 December 2024	(2,399,334)	(1,999,163)	(1,857,282)	(6,255,779)

An analysis of changes in the gross carrying value and corresponding ECL in relation to consumer lending during the year ended 31 December 2024 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
Gross carrying amount as at 1 January 2024	779,962	6,202	184,218	970,382
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	1,198,551	-	-	1,198,551
Derecognition during the period	(594,329)	(17,919)	(40,796)	(653,044)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(91,625)	91,625	-	-
Transfers to Stage 3	(631)	-	631	-
Net change in accrued interest	(6,207)	(3,905)	(3,112)	(13,224)
Total changes affecting credit loss allowance charge for the period	505,759	69,801	(43,277)	532,283
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	(29)	(29)
Compensations	-	-	2,187	2,187
Positive and negative foreign exchange differences	76,832	293	288	77,413
As at 31 December 2024	1,362,553	76,296	143,387	1,582,236

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
ECL as at 1 January 2024	(15,336)	(121)	(169,078)	(184,535)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(33,279)	-	-	(33,279)
Derecognition during the period	11,686	350	37,443	49,479
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	3,111	(3,111)	-	-
Transfers to Stage 3	14	-	(14)	-
Change in ECL as a result of transfers between Stages or changes in source data	24,327	(26,730)	(8,034)	(10,437)
Total changes affecting credit loss allowance charge for the period	5,859	(29,491)	29,395	5,763
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	29	29
Compensations	-	-	(2,187)	(2,187)
Positive and negative foreign exchange differences	(1,457)	(3)	(250)	(1,710)
As at 31 December 2024	(10,934)	(29,615)	(142,091)	(182,640)

An analysis of changes in the gross carrying value and corresponding ECL in relation to mortgage lending during the year ended 31 December 2024 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
Gross carrying amount as at 1 January 2024	696,532	42,576	15,803	754,911
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	998,050	-	-	998,050
Derecognition during the period	(337,329)	(18,602)	(12,431)	(368,362)
Transfers to Stage 1	17,173	(17,173)	-	-
Net change in accrued interest	1,377	(317)	(98)	962
Total changes affecting credit loss allowance charge for the period	679,271	(36,092)	(12,529)	630,650
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	-	-
As at 31 December 2024	1,375,803	6,484	3,274	1,385,561

10 Loans and Advances to Customers (Continued)

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
ECL as at 1 January 2024	(12,682)	(5,259)	(7,914)	(25,855)
<i>Changes affecting credit loss allowance charges for the period:</i>				
New originated or purchased	(35,692)	-	-	(35,692)
Derecognition during the period	6,142	2,298	6,225	14,665
Transfers to Stage 1	(216)	216	-	-
Change in ECL as a result of transfers between Stages or changes in source data	30,962	2,745	(1,585)	32,122
Total changes affecting credit loss allowance charge for the period	1,196	5,259	4,640	11,095
<i>Changes that do not affect credit loss allowance charges for the period:</i>				
Write-offs	-	-	-	-
As at 31 December 2024	(11,486)	-	(3,274)	(14,760)

The table below provides an analysis of credit risk for loans to customers measured at amortized cost, for which an allowance for expected credit losses has been recognized. In the table below, the carrying amount of loans to customers also reflects the Bank's maximum exposure to credit risk on these loans.

The following is an analysis of the credit quality of loans to major customers measured at amortized cost as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
From A to AAA rated	10,508,307	5,046,213	-	15,554,520
From B to BBB rated	35,331,487	-	-	35,331,487
Gross carrying amount	45,839,794	5,046,213	-	50,886,007
Credit loss allowance	(192,000)	(147,531)	-	(339,531)
Carrying amount	45,647,794	4,898,682	-	50,546,476

Below is an analysis of the credit quality of loans issued to small and medium businesses, measured at amortized cost, as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
From A to AAA rated	35,034,990	4,664,651	-	39,699,641
From B to BBB rated	57,062,802	14,664,977	2,184,106	73,911,885
From C to CCC rated	26,640,609	206,800	780,453	27,627,862
D rated	-	-	284,567	284,567
Gross carrying amount	118,738,401	19,536,428	3,249,126	141,523,955
Credit loss allowance	(3,023,151)	(2,062,737)	(1,348,666)	(6,434,554)
Carrying amount	115,715,250	17,473,691	1,900,460	135,089,401

10 Loans and Advances to Customers (Continued)

For provision calculations for consumer loans of the stage “No overdue and no increased risk”, PD from 1.06 to 9.90% were applied, for “Overdue or increased risk” used PD 5.14%, the stage “Special monitoring required” used PD 100%.

Below is an analysis of the credit quality of consumer loans measured at amortized cost as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
Not overdue and no increase in risk	1,150,249	-	-	1,150,249
Overdue or increase in risk	-	78,420	-	78,420
Special monitoring required	-	-	214,236	214,236
Gross carrying amount	1,150,249	78,420	214,236	1,442,905
Credit loss allowance	(7,970)	(388)	(165,187)	(173,545)
Carrying amount	1,142,279	78,032	49,049	1,269,360

For provision calculations for mortgage loans of the stage “No overdue and no increased risk”, PD from 0.3 to 4.32% were applied, for “Overdue or increased risk” used PD from 1.07% to 6.84%, the stage “Special monitoring required” used PD 100%.

Below is an analysis of the credit quality of mortgage loans measured at amortized cost as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
Not overdue and no increase in risk	1,167,959	-	-	1,167,959
Overdue or increase in risk	-	6,993	-	6,993
Special monitoring required	-	-	2,314	2,314
Gross carrying amount	1,167,959	6,993	2,314	1,177,266
Credit loss allowance	(7,176)	(1)	(2,314)	(9,491)
Carrying amount	1,160,783	6,992	-	1,167,775

For the calculation of provisions on mortgage loans in the stage “No past due and no increase in risk”, PDs ranging from 0.01% to 4.32% were applied; in the stage “Past due or increase in risk”, PDs ranging from 0.01% to 10.32% were applied; and in the stage “Special monitoring required”, a PD of 100% was applied.

Below is an analysis of the credit quality of loans to major customers, measured at amortized cost, as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to major customers				
From A to AAA rated	18,516,660	-	-	18,516,660
From B to BBB rated	20,589,026	-	-	20,589,026
Gross carrying amount	39,105,686	-	-	39,105,686
Credit loss allowance	(172,294)	-	-	(172,294)
Carrying amount	38,933,392	-	-	38,933,392

10 Loans and Advances to Customers (Continued)

Below is an analysis of the credit quality of loans to small and medium businesses, measured at amortized cost, as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Loans to small and medium businesses				
From A to AAA rated	29,630,196	5,580,343	-	35,210,539
From B to BBB rated	68,515,011	12,725,942	5,401,928	86,642,881
From C to CCC rated	11,860,956	796,475	1,810,043	14,467,474
D rated	-	-	313,406	313,406
Gross carrying amount	110,006,163	19,102,760	7,525,377	136,634,300
Credit loss allowance	(2,399,334)	(1,999,163)	(1,857,282)	(6,255,779)
Carrying amount	107,606,829	17,103,597	5,668,095	130,378,521

Below is an analysis of the credit quality of consumer loans measured at amortized cost as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Consumer loans				
Not overdue and no increase in risk	1,362,553	-	-	1,362,553
Overdue or increase in risk	-	76,296	-	76,296
Special monitoring required	-	-	143,387	143,387
Gross carrying amount	1,362,553	76,296	143,387	1,582,236
Credit loss allowance	(10,934)	(29,615)	(142,091)	(182,640)
Carrying amount	1,351,619	46,681	1,296	1,399,596

Below is an analysis of the credit quality of mortgage loans measured at amortized cost as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Mortgage loans				
Not overdue and no increase in risk	1,375,803	-	-	1,375,803
Overdue or increase in risk	-	6,484	-	6,484
Special monitoring required	-	-	3,274	3,274
Gross carrying amount	1,375,803	6,484	3,274	1,385,561
Credit loss allowance	(11,486)	-	(3,274)	(14,760)
Carrying amount	1,364,317	6,484	-	1,370,801

Modified and restructured loans

A Bank derecognizes a financial asset, such as a loan to a customer, if the terms of the contract are renegotiated so that in effect it becomes a new loan and the difference is recognized as a derecognition gain or loss before an impairment loss is recognized. On initial recognition, loans are treated as Stage 1 for ECL purposes unless the originated loan is considered an 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.

10 Loans and Advances to Customers (Continued)

The table below shows the Stage 2 and Stage 3 assets that were renegotiated during the period and which are accounted for as restructured as a result, reflecting the corresponding effect of the modifications incurred by the Bank.

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Gross value of loans to customers modified during the year	9,177,910	10,563,202
Amortized cost before modification	9,077,805	10,219,012
Net loss on modification	(319,930)	(31,122)

Collateral and other mechanisms to improve credit quality

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 real estate properties, inventory and accounts receivable;
- for retail lending – charges over residential properties.

The Bank also obtains guarantees from parent companies for loans to their subsidiaries. Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement during its review of the adequacy of the allowance for impairment.

In absence of collateral or other credit enhancements, ECL in respect of Stage 3 loans to customers as at 31 December 2025 and 2024 would have been higher by:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Loans to major customers	-	-
Loans to small and medium businesses	64,718	896,693
Consumer loans	-	-
Mortgage loans	-	-
Total	64,718	896,693

During the year, the Bank took possession of different assets in exchange of debts of respective borrowers. The Bank is in the process of selling of those assets. It is the Bank's policy to dispose of repossessed properties in an orderly fashion. The proceeds are used to reduce or repay the outstanding claim. Generally, the Bank does not occupy repossessed properties for business use. The carrying value of the assets repossessed during the period and held as at the reporting date is as follows:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Land	27,050	81,722
Buildings	-	18,530
Total repossessed collateral	27,050	100,252

During 2025 and 2024 the Bank did not obtain any property by taking control of collateral for loans to customers.

Concentration of loans to customers.

As at 31 December 2025, the Bank had ten major borrowers, which accounted for 53% (31 December 2024: 55.6%) of the total amount of loan to customers before allowance for expected credit losses. The total aggregate amount of these loans was 99,875,474 thousand Tenge (on 31 December 2024: 99,019,900 thousand Tenge).

10 Loans and Advances to Customers (Continued)

Loans are primarily issued to clients in the Republic of Kazakhstan operating in the following sectors of the economy:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Construction	61,321,789	42,939,193
Trade	36,009,758	39,082,567
Sale/production of electricity	31,038,332	12,999,634
Leasing	15,145,823	23,124,885
Manufacturing	12,733,187	21,358,690
Air, rail and other cargo transportation services	8,262,217	3,451,114
Agriculture	8,024,744	1,103,922
Hospitality	5,404,955	6,414,569
Education	4,547,963	4,545,010
Individuals	2,620,171	2,967,797
Hospital services	1,408,449	7,951,018
Other	8,512,745	12,769,384
Total loans and advances to customers before allowance for ECL	195,030,133	178,707,783

Loans to individuals are represented by consumer and mortgage lending.

«ASSOCIATED BANK «KAZAKHSTAN – ZIRAAT INTERNATIONAL BANK» JOINT – STOCK COMPANY
Notes to the Separate Financial Statements for the year ended 31 December 2025

11 Property, Plant and Equipment and Intangible assets

The movements in property and equipment were as follows:

<i>In thousands of Kazakhstani Tenge</i>	Land	Buildings and constructions	Computer equipment	Vehicles	Other property and equipment	Equipment not yet installed	Right-of-use assets	Total
Initial cost or revaluation								
As at 1 January 2024	1,295,824	3,136,649	212,306	32,000	591,919	-	780,592	6,049,290
Additions	-	-	51,795	-	356,593	-	403,132	811,520
Disposals	(588,294)	-	(73,364)	-	(60,165)	-	(313,552)	(1,035,375)
As at 31 December 2024	707,530	3,136,649	190,737	32,000	888,347	-	870,172	5,825,435
Additions	-	-	125,513	-	252,524	887,727	350,407	1,616,171
Disposals	-	-	(91,396)	-	(77,997)	-	(139,749)	(309,142)
Transfer from non-current assets held for sale	2,000	17,303	-	-	-	-	-	19,303
As at 31 December 2025	709,530	3,153,952	224,854	32,000	1,062,874	887,727	1,080,830	7,151,767
Accumulated depreciation								
As at 1 January 2024	-	(138,205)	(113,112)	(2,667)	(148,501)	-	(420,106)	(822,591)
Depreciation and impairment	-	(71,478)	(72,059)	(8,000)	(169,406)	-	(183,049)	(503,992)
Disposals	-	-	73,364	-	60,165	-	191,276	324,805
As at 31 December 2024	-	(209,683)	(111,807)	(10,667)	(257,742)	-	(411,879)	(1,001,778)
Depreciation and impairment	-	(66,635)	(78,888)	(8,000)	(211,846)	-	(204,364)	(569,733)
Disposals	-	-	91,396	-	77,997	-	139,749	309,142
As at 31 December 2025	-	(276,318)	(99,299)	(18,667)	(391,591)	-	(476,494)	(1,262,369)
Net book value								
As at 1 January 2024	1,295,824	2,998,444	99,194	29,333	443,418	-	360,486	5,226,699
As at 31 December 2024	707,530	2,926,966	78,930	21,333	630,605	-	458,293	4,823,657
As at 31 December 2025	709,530	2,877,634	125,555	13,333	671,283	887,727	604,336	5,889,398

11 Property, Plant and Equipment and Intangible assets (Continued)

The Bank's premises are reflected on the balance sheet at fair value determined by an independent appraiser with relevant experience and license. The assessment report was based on the comparative (comparative sales analysis method) and income approaches (income capitalization method), taking into account a fairly developed sales market and the ability to generate rental income.

Income capitalization, in turn, involves estimating value based on the expected market rental income of similar properties with similar capitalization, using this method, the net income received from comparable properties is capitalized to determine the value of the property being valued.

The method of comparative sales analysis allows you to determine the value based on an analysis of prices of recent sales or prices of offers for the sale of similar objects comparable to the object being valued, taking place on the market of the object being valued, adjusted for identified differences.

The fair value of land and buildings as at 31 December 2025 and 2024 is presented in Note 27.

The movement of intangible assets is presented below:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Initial cost		
At 1 January	1,390,082	1,166,677
Additions	464,163	229,436
Disposals	(28,205)	(6,031)
At 31 December	1,826,040	1,390,082
Accumulated depreciation		
At 1 January	(597,617)	(436,927)
Accrual for the year	(205,682)	(166,721)
Disposals	28,205	6,031
At 31 December	(775,094)	(597,617)
Net book value		
At 1 January	792,465	729,750
At 31 December	1,050,946	792,465

Property and equipment.

Property and equipment, except for buildings and land, are carried at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and any accumulated impairment. Such cost includes the cost of replacing part of equipment when that cost is incurred if the recognition criteria are met.

The carrying value of property and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

After initial recognition at cost, buildings and land are carried at a revalued amount, which is the fair value at the date of the revaluation less any subsequent accumulated depreciation (of buildings) and subsequent accumulated impairment losses. Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation surplus is recognized in other comprehensive income, except for reversals of any previous impairment of the asset previously recognized in profit or loss. In this case, the amount of the increase in the value of the asset is recognized in profit or loss. A decrease in the value of a revaluation is recognized in profit or loss, except for the direct offset of such a decrease against a previous increase in the value of the same asset reflected in the revaluation reserve for fixed assets.

11 Property, Plant and Equipment and Intangible assets (Continued)

The Bank applies an accounting method whereby the revaluation surplus is not transferred to retained earnings as the asset is used up. The Bank rolls over the entire surplus when the asset is written off or liquidated. Depreciation of an asset begins when it is available for use. Depreciation is calculated on a straight-line basis over the following estimated useful lives:

	<u>Useful life in years</u>
Buildings	50 years
Computers and office equipment	2.5 years
Vehicles	4 years
Other	4 – 6.7 years

The salvage value, useful lives and depreciation methods of assets are reviewed at the end of each reporting year and adjusted as necessary.

Repair and reconstruction expenses are expensed as incurred and included in administrative and other operating expenses unless they are eligible for capitalization.

Fair value of land and buildings is estimated based on the similar objects offered on the market. See Note 27 for more details with respect to fair value of lands and buildings.

If land and buildings had been accounted for at cost less impairment and accumulated depreciation for buildings, their carrying amount as at 31 December 2025 would have been Tenge 650,270 thousand and Tenge 2,798,196 thousand, respectively (31 December 2024: Tenge 650,255 thousand and 2,839,635 thousand tenge, respectively).

As at 31 December 2025, the historical cost of fully depreciated fixed assets, represented by office and computer equipment, vehicles and other fixed assets used by the Bank, amounted to Tenge 154,641 thousand (as at 31 December 2024: Tenge 131,910 thousand).

Intangible assets include software and licenses. Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in business combinations is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. Intangible assets have a limited or indefinite useful life. Intangible assets with finite useful lives are amortized over their useful lives of 6.7 years and are reviewed for impairment when there is an indication that the intangible asset may be impaired. The timing and procedure for amortization of intangible assets with an indefinite useful life are analyzed at least annually at the end of each reporting year.

12 Investments

At 31 December 2025 and 2024, investments include the following items:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Investments in subsidiaries	-	547,378
Shares of the KASE and the Central Depository	7,001	7,001
Total equity instruments	7,001	554,379

As at 31 December 2025, the Bank had the following subsidiaries, which were accounted for at actual costs:

Название	31 December 2025		31 December 2024	
	Ownership share, %	Book value	Ownership share, %	Book value
Stressed Assets Management Organization of Kazakhstan-Ziraat International - 1 LLP	-	-	100.00	204,277
Stressed Assets Management Organization of Kazakhstan-Ziraat International - 2 LLP	100.00	-	100.00	343,101
Total investments in subsidiaries		-		547,378

12 Investments (Continued)

On 20 March 2025, the Bank's Board of Directors approved the decision on the voluntary liquidation and cessation of operations of the subsidiaries LLP "Kazakhstan–Ziraat International Stress Asset Management Organization–1" and LLP "Kazakhstan–Ziraat International Stress Asset Management Organization–2".

On 4 November 2025, the state registration of the termination of LLP "Kazakhstan–Ziraat International Stress Asset Management Organization–1" was completed.

As at 31 December 2025, LLP "Kazakhstan–Ziraat International Stress Asset Management Organization–2" is in the process of liquidation.

13 Other Assets

As at 31 December 2025 and 2024, other assets comprise of the following:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Restricted funds in the KASE accounts	335,553	337,511
Debtors on banking activities	319,473	363,446
Spot operations	10,707	-
Fees and commissions receivable	8,752	5,899
Other assets	5,374	-
Other financial assets before loss allowance for ECL	679,859	706,856
Less: allowance for ECL	(302,583)	(308,864)
Other financial assets	377,276	397,992
Prepayments	416,673	464,695
Prepayment for non-banking activities	109,313	806,487
Repossessed collateral	27,050	100,252
Prepaid taxes other than CIT	5,643	5,491
Other	22,051	16,755
Other non-financial assets	580,730	1,393,680
Other assets	958,006	1,791,672

As of 31 December, 2025, the Bank placed funds in the amount of 335,553 thousand tenge in the accounts with KASE Clearing Center (as of 31 December, 2024 - 337,511 thousand tenge). KASE Clearing Center has no rating as of 31 December, 2025 and 2024.

As at 31 December 2025 and 2024, repossessed collateral represents real estate acquired by the Bank in settling borrowers' loan repayment obligations. Repossessed collateral is valued at the lower of its original cost and net realizable value. Despite the fact that the Bank is currently actively pursuing activities to sell these assets, some of them were not sold within a short period of time. Management remains committed to selling these assets in the foreseeable future.

13 Other Assets (Continued)

Below is an analysis of changes in ECL allowances for other financial assets for the year ended 31 December 2025:

<i>n thousands of Kazakhstani Tenge</i>	ECL
As at 1 January 2024	(267,138)
Accruals for the year	366,369
Recovery	(396,147)
Write-offs	28,441
Exchange rate differences	(40,389)
As at 31 December 2024	(308,864)
Accruals for the year	(6,260)
Write-offs	(407)
Exchange rate differences	12,948
As at 31 December 2025	(302,583)

14 Non-current Assets Held for Sale

As at 31 December 2025, non-current assets held for sale amounted to Tenge 6,895,384 thousand (31 December 2024: Tenge 8,489,108 thousand). These assets are recognized in the statement of financial position if their carrying amount will be recovered primarily through sale within 12 months after the end of the reporting period. Reclassification of assets requires all of the following conditions to be met: (a) the assets are available for immediate sale in their current condition; (b) the Bank's management approved the current program to find a buyer and began its implementation; (c) active marketing is carried out to sell assets at a reasonable price; (d) the sale is expected to be completed within one year, and (e) there is no significant change or cancellation of the sales plan expected. Non-current assets classified as held for sale in the current period's statement of financial position are not reclassified or re-presented in the comparative statement of financial position to conform to the classification at the end of the current period. Fixed assets held for sale are not depreciated.

In May 2023, the Bank's Management approved the sale of real estate in the form of non-residential premises together with the corresponding shares in the underlying land plot and entered into an agreement for buyer search services. In July 2024, the sale plan was updated and the Bank's Management entered into new agreements for the provision of buyer search services. In 2025, addenda were signed between the Bank and the real estate companies to extend the term of the agreements for one year and to update the sale price in line with market conditions.

15 Due to other Banks and Credit Institutions

As at 31 December 2025 and 2024, Due to other banks and credit institutions comprise of the following:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
T.C. Ziraat Bankasi A.S.	17,701,054	18,388,135
DAMU Entrepreneurship Development Fund JSC	4,545,647	3,882,436
Due to other banks and credit institutions	22,246,701	22,270,571

Funds from the Controlling shareholder include a deposit in the amount of USD 35,000,000 bearing interest at 6.9% and maturing in December 2028.

On 13 October 2020, the Bank entered into a loan agreement with JSC "Entrepreneurship Development Fund 'DAMU'" under the Programme for Financing Regional Priority Projects for Small and Medium-Sized Enterprises "Damu Regions III". The loan agreement was concluded in the amount of KZT 5 billion with maturity in 2027. The interest rate on the loan is 8.5%. As at 31 December 2025, the outstanding balance of the loan amounted to KZT 2,375,000 thousand (as at 31 December 2024: KZT 3,800,000 thousand).

15 Due to other Banks and Credit Institutions (Continued)

On 20 November 2025, the Bank entered into a loan agreement with JSC “Entrepreneurship Development Fund ‘DAMU’” under the conditional placement programme “Orleu”. The loan agreement was concluded in the amount of KZT 3 billion with maturity in 2033. In order to increase the total pool of financing to ultimate borrowers, the Bank, under a co-funding arrangement, contributes its own funds in addition to the Fund’s Loan in the proportion of 55%:45% (Bank’s Funds:Loan). The interest rate on the loan is 2.00%. The nominal interest rate for the ultimate borrower is not to exceed 12.6%, and the loan term is not to exceed seven years. As at 31 December 2025, the outstanding balance of the loan amounted to KZT 2,115,000 thousand. The terms of the “Orleu” programme are the same for all banks in the Republic of Kazakhstan; therefore, the Bank’s Management considers this programme to represent a separate market and does not make any adjustment to reflect general market conditions.

An analysis of the liquidity of funds Due to other banks and credit institutions is presented in Note 26.

16 Customer Accounts

As at 31 December 2025 and 2024, customers accounts comprise:

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2025	31 December 2024
Time deposits		119,161,913	114,089,374
Current accounts		44,098,541	57,774,060
Customer accounts		163,260,454	171,863,434
Held as security against guarantees	25	6,093,242	5,885,660

At 31 December 2025, the Bank’s ten largest customers accounted for 41% of the total balance of current accounts and customer deposits (31 December 2024: 42%). The aggregate balance of such clients as at 31 December 2025 was Tenge 67,029,869 thousand (31 December 2024: Tenge 72,620,506 thousand).

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Time deposits		
Legal entities	74,230,445	81,790,620
Individuals	41,755,540	29,844,984
State and public organizations	3,175,928	2,453,770
Current accounts		
Legal entities	34,860,834	48,603,382
Individuals	8,298,000	8,440,077
State and public organizations	939,707	730,601
Customer accounts	163,260,454	171,863,434

In accordance with the Civil Code of the Republic of Kazakhstan, the Bank is obliged to issue the deposit amount upon the first request of the depositor. In cases where a time deposit is returned to the depositor upon his request before the expiration of the term, interest on the deposit is paid in an amount corresponding to the amount of interest paid by the bank on demand deposits, unless the agreement provides for a different interest rate.

16 Customer Accounts (Continued)

Below is the distribution of client funds by category:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Legal entities:		
Manufacturing	32,549,574	36,490,006
Trade and services	29,530,809	25,409,145
Construction	22,305,723	38,421,484
Professional services	13,463,848	19,260,193
Transport and communications	10,316,157	9,424,424
Mining of metal ores	89,354	294,757
Other	4,951,449	4,278,364
Individuals	50,053,540	38,285,061
Customer accounts	163,260,454	171,863,434

17 Lease Liabilities

The Bank recognized the following lease liabilities:

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Long-term lease liabilities	447,141	344,290
Short-term lease liabilities	204,726	139,412
Total lease liabilities	651,867	483,702

Interest expense included in finance costs in 2025 amounted to KZT 84,962 thousand. (2024: KZT 44,084 thousand).

Lease agreements do not contain any covenants other than securing the performance of obligations on the leased assets owned by the lessor. The leased assets cannot be used as collateral for loans and borrowings.

18 Other Liabilities

As at 31 December 2025 and 2024, other liabilities comprise of the following items:

<i>In thousands of Kazakhstani Tenge</i>	Note	31 December 2025	31 December 2024
Obligations for documentary settlements		122,157	120,996
Liabilities for SPOT operations		-	331
Other financial liabilities		122,157	121,327
Taxes payable other than corporate income tax		540,411	425,347
Advance payment received for the sale of non-current assets intended for sale		371,195	131,861
Accrued expenses for unused vacations		94,125	70,176
Reserve for losses on contingent liabilities	26	88,949	117,392
Accrued expenses for administrative activities		44,019	17,655
Other liabilities		5,682	6,244
Other non-financial liabilities		1,144,381	768,675
Other liabilities		1,266,538	890,002

19 Equity

Share capital

As at 31 December 2025 and 2024, the total number of authorized, issued and fully paid ordinary shares of the Bank is 48,500,000 shares. The cost of placement of shares was 1,000 tenge per common share. Shareholders have the right to receive dividends and distribution of capital in tenge.

In 2025 and 2024, the Bank did not declare or pay dividends.

Nature and purpose of other reserves

Reserve funds.

As at 31 December 2025, the Bank has a general bank reserve for contingencies and future losses in the amount of Tenge 1,177,175 thousand (31 December 2024: Tenge 1,177,175 thousand). Funds of the general bank reserve can be distributed only by an official decision of the Bank's shareholders.

Property and equipment revaluation reserve.

The revaluation reserve for property, plant and equipment is used to record increases in the fair value of land and buildings owned by the Bank, as well as decreases in that value, but only to the extent that such decreases relate to previous increases in the value of the same asset previously recognized in equity.

Earnings per share.

Basic earnings per share are calculated by dividing net income for the period attributable to common shareholders by the weighted average number of shares outstanding during the period. The Bank does not have options or convertible debt or equity instruments.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Net profit/(loss) for the year attributable to the shareholders of the Bank	18,290,266	25,306,717
Weighted average number of common shares for basic and diluted earnings per share computation	48,500,000	48,500,000
Basic and diluted earnings per share (in tenge)	377.12	521.79

As at 31 December 2025 and 2024, the Bank did not have any financial instruments diluting earnings per share.

20 Interest Income and Interest Expense

Net interest income comprises the following:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Interest income calculated using the effective interest method		
Loans and advances to customers	28,440,551	17,752,988
Due from other banks	10,461,954	9,531,069
Investment securities carried at amortized cost	139,740	140,837
Total interest income calculated using the effective interest rate	39,042,245	27,424,894
Customer accounts	(10,004,161)	(7,062,307)
Due to other banks and credit institutions	(1,570,099)	(330,025)
Lease liabilities	(84,962)	(44,084)
Total interest expense	(11,659,222)	(7,436,416)
Net interest margin	27,383,023	19,988,478

21 Expected Credit Losses Expenses

The table below shows the ECL expenses on financial instruments recorded in the Separate statement of comprehensive income during the year ended 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents	2,879	-	-	2,879
Loans and advances to customers measured at amortized cost	(719,289)	(210,181)	425,355	(504,115)
Other financial assets	-	-	(6,260)	(6,260)
Financial guarantees	27,912	-	-	27,912
Investment securities carried at amortized cost	355	-	-	355
Total (expenses)/recovery for credit losses	(688,143)	(210,181)	419,095	(479,229)

The table below shows the ECL expenses on financial instruments recorded in the Separate statement of comprehensive income during the year ended 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents	2,750	-	-	2,750
Due from other banks	2,953	-	-	2,953
Loans and advances to customers measured at amortized cost	(781,828)	277,230	13,879,081	13,374,483
Other financial assets	-	-	366,369	366,369
Financial guarantees	6,659	-	-	6,659
Investment securities carried at amortized cost	(623)	-	-	(623)
Total (expenses)/recovery for credit losses	(770,089)	277,230	14,245,450	13,752,591

22 Commission Income and Commission Expense

The bank earns fee income from various types of services it provides to customers. Fee income can be divided into the following two categories:

Fee income received for providing services over a specified period of time.

Commissions received for the provision of services over a specified period of time accrue over that period as related performance obligations are satisfied. Such items include commission income and fees for asset management, custody and other management and consulting services. Commitment fees for loan originations where it is probable that the loan will be drawn down and other fees associated with the origination of loans are deferred (along with additional costs) and recognized as an adjustment to the effective interest rate on the loan.

Commission income from the provision of services for transactions.

Commissions received for executing or negotiating a transaction on behalf of a third party, for example where the Bank's performance obligation is to enter into an agreement to purchase shares or other securities, or the purchase or sale of a business, are recognized upon completion of the transaction. Commissions (or portions of commissions) associated with certain performance obligations are recognized when the relevant criteria are met.

If a contract provides for variable consideration, fee income is recognized only to the extent that it is highly probable that, upon subsequent resolution of the uncertainty inherent in the variable consideration, there will be no significant decrease in the amount recognized in the cumulative revenue stream.

22 Commission Income and Commission Expense (Continued)

Net fee and commission income comprises of:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Issuance of guarantees and letters of credit	833,270	831,051
Settlement transactions	519,166	550,955
Cash transactions	217,822	194,931
Bank account servicing services	2,522	15,992
Safe deposit transactions	9,676	7,209
Payment cards	1,482	1,729
Other	81,328	113,418
Fee and commission income	1,665,266	1,715,285
Commission expenses for payment systems	(344,320)	(249,550)
Settlement operations	(233,618)	(197,659)
Processing services	(90,267)	(52,569)
Guarentees	(52,505)	(43,758)
Other	(44,076)	(11,707)
Fee and commission expense	(764,786)	(555,243)
Net fee and commission income	900,480	1,160,042

23 Administrative and Other Operating Expenses

Administrative and other operating expenses comprise of:

<i>In thousands of Kazakhstani Tenge</i>	Note	2025	2024
Salaries and bonuses		2,229,886	1,750,921
Taxes other than corporate income tax		782,293	561,648
Depreciation of property and equipment	11	569,733	503,992
Software technical support		420,853	341,698
Building maintenance		415,803	626,102
Social security contributions		304,080	202,363
Professional services		246,350	261,580
Amortisation of intangible assets		205,682	166,721
Deposit insurance		182,273	111,617
Communication and information services		141,149	136,418
Security services		103,258	125,736
ATM maintenance expenses		93,759	2,885
Insurance		52,637	55,424
Business travel expenses		32,601	43,589
Membership fees		31,621	25,512
Office supplies		19,690	20,505
Cash collection (cash-in-transit services)		12,541	8,721
Transport		10,526	12,850
Staff training		8,241	17,589
Advertising and marketing		3,805	18,679
Real estate agent services		-	10,018
Other		234,803	505,020
Total administrative and other operating expenses		6,101,584	5,509,588

Audit services are in professional services in the amount of tenge 63,000 thousand (2024: tenge 64,400 thousand).

24 Income Taxes

Current corporate income tax expenses are calculated in accordance with the legislation of the Republic of Kazakhstan.

Deferred corporate income tax assets and liabilities are calculated for all temporary differences using the balance sheet liability method. Deferred corporate income taxes are provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred corporate income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the taxable temporary differences can be utilised. Deferred corporate income tax assets and liabilities are measured at the tax rates that will apply during the period in which the asset is realized or the liability is settled, based on laws enacted or substantively enacted at the reporting date.

In addition, the Republic of Kazakhstan has various operating taxes that apply to the Bank's activities. These taxes are reflected in administrative and other operating expenses in the statement of comprehensive income.

The corporate income tax expense (CIT) comprises:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Current corporate income tax expense	5,924,962	7,065,000
Deferred corporate income tax (savings)/expense – origination and reversal of temporary differences	142,667	(23,997)
Corporate income tax expense/(savings)	6,067,629	7,041,003

The Bank's income is taxed only in the Republic of Kazakhstan. Under tax law, the applicable corporate income tax rate for 2025 and 2024 is 20%.

In addition, the corporate income tax base in 2025 includes interest income on government-issued securities and interest income on deposits placed with the National Bank of the Republic of Kazakhstan for a term of up to one year. The applicable corporate income tax rate is 10%, in addition to the standard corporate income tax rate of 20%.

Deferred income tax expense has been calculated at a rate of 25%, as it arises from transactions the results of which will be subject to corporate income tax at a rate of 25% from 2026 onwards.

The reconciliation between corporate income tax expense recognized in these Separate financial statements and earnings before corporate income tax expense multiplied by the statutory tax rate for 2025 and 2024 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Profit before corporate income tax expense	24,357,895	32,347,720
Statutory tax rate	20%	20%
Theoretical corporate income tax expense calculated at the statutory rate	4,871,579	6,469,544
Additional tax on interest income on NBK deposits and securities	962,742	-
Administrative and other non-deductible expenses	89,529	166,256
Changes in non-deductible/non-taxable reserves	4,033	31,663
Other permanent differences	139,746	373,540
Corporate income tax expense	6,067,629	7,041,003

24 Income Taxes (Continued)

Deferred CIT assets and liabilities as of 31 December 2025 and 2024 and their movements for the respective years comprise:

<i>In thousands of Kazakhstani Tenge</i>	1 January 2024	Origination and decrease of temporary difference in profit and loss	31 December 2024	Origination and decrease of temporary difference in profit and loss	31 December 2025
Tax effect of deductible temporary differences					
Other	-	-	-	-	-
Deferred tax assets	-	-	-	-	-
Tax effect of taxable temporary differences					
Fixed assets and intangible assets	(136,564)	(22,847)	(159,411)	(196,669)	(356,080)
Other	(71,128)	46,844	(24,284)	54,002	29,718
Deferred tax liabilities	(207,692)	23,997	(183,695)	(142,667)	(326,362)
Net deferred tax asset/(liability)	(207,692)	23,997	(183,695)	(142,667)	(326,362)

25 Commitments and Contingencies

Political and economic environment.

The Republic of Kazakhstan continues economic reforms and development of its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Republic of Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the government of the Republic of Kazakhstan.

The volatility of crude oil prices and Tenge's exchange rate against major foreign currencies continue to have a negative impact on the Kazakhstan economy. Interest rates of attracted financing in Tenge remain high. Combination of these factors resulted in a limited access to capital, high cost of capital, high inflation rate and uncertainty regarding further economic growth, which could negatively affect the Bank's future financial position, results of operations and business prospects. The management of the Bank believes that it is taking appropriate measures to support the sustainability of the Bank's business in the current circumstances.

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 Separate financial statements for any of the above described contingent liabilities.

Tax contingencies.

Various types of legislation and regulations are not always clearly written and their interpretation is subject to the opinions of the local tax inspectors and the Ministry of Finance of the Republic of Kazakhstan. Instances of inconsistent opinions between local, regional and national tax authorities are not unusual. The current regime of penalties and interest related to reported and discovered violations of Kazakhstani laws, decrees and related regulations is severe. Penalties include confiscation of the amounts at issue (for currency law violations), as well as fines of generally 50% of the taxes unpaid.

25 Commitments and Contingencies (Continued)

The Bank believes that it has paid or accrued all taxes that are applicable. Where practice concerning tax application is unclear, the Bank has accrued tax provisions based on management's best estimate. The Bank's policy is to recognize provisions in the accounting period in which a loss is deemed probable and the amount is reasonably determinable. Because of the uncertainties associated with the Kazakhstan tax system, the ultimate amount of taxes, penalties and fines, if any, may be in excess of the amount expensed to date and accrued on 31 December 2025. Although such amounts are possible and may be material, it is the opinion of the Bank's management that these amounts are either not probable, not reasonably determinable, or both.

Commitments and contingencies

At 31 December the Bank's commitments and contingencies comprised the following:

<i>In thousands of Kazakhstani Tenge</i>	Note	2025	2024
Credit related commitments			
Undrawn loan facilities		95,133,409	87,846,339
Guarantees		48,484,285	41,447,690
Letters of credit		-	20,083
Total credit related commitments		143,617,694	129,314,112
ECL allowance on credit related commitments	18	(88,949)	(117,392)
Amounts due to customers held as security against guarantees	16	(6,093,242)	(5,885,660)
Total credit related commitments, net of allowance and net of cash collateral		137,435,503	123,311,060

Credit related commitments.

Loan commitments are contractual commitments under which, during the life of the commitment, the Bank is required to provide a customer with a loan on pre-agreed terms. Guarantees and standby letters of credit, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans and borrowings. Documentary and trade letters of credit, which are written undertakings by the Bank to make payments on behalf of customers up to a specified amount, subject to certain conditions, are backed by related deliveries of goods or cash deposits and are therefore less risky than direct borrowing. Commitments to provide loans provide for the Bank's right to unilaterally withdraw from the agreement in the event of any unfavorable conditions. Therefore, no ECL allowance was recognized for loan commitments for the year ended 31 December 2025 and 2024.

Commitments to extend credit include the unused portion of amounts approved by management to extend credit in the form of loans, guarantees or letters of credit. With respect to commitments to extend credit, the probability of losses is less than the total amount of unused commitments, as commitments to extend loans depend on customer compliance with certain credit requirements.

The Bank controls the time remaining to maturity of credit related commitments, as longer-term commitments generally carry a higher level of credit risk than short-term commitments. The Bank annually reviews the credit limits provided in order to review the period of availability for obtaining credit funds/obligations. In the event of a deterioration in creditworthiness, the availability period is not updated.

25 Commitments and Contingencies (Continued)

The table below provides an analysis of the credit quality of credit related commitments based on credit risk levels as at 31 December 2025 and 31 December 2024.

<i>In thousands of Kazakhstani Tenge</i>	31 December 2025	31 December 2024
Guarantees and letters of credit		
- With a credit rating from A to AAA	18,432,711	20,486,622
- With a credit rating from B to BBB	18,809,993	9,075,662
- With a credit rating from C to CCC	11,241,581	11,905,489
Unrecognized gross value	48,484,285	41,467,773
Provision for guarantees and letters of credit	(88,949)	(117,392)
Loan commitments		
- With a credit rating from A to AAA	50,225,915	26,366,738
- With a credit rating from B to BBB	30,158,687	25,353,476
- With a credit rating from C to CCC	14,748,807	36,126,125
Unrecognized gross value	95,133,409	87,846,339
Provision for loan commitments	-	-

The total amount of undrawn credit lines classified in Stage 2 and Stage 3 as at the reporting date amounted to KZT 191,247 thousand (2024: KZT 1,517,716 thousand).

A description of the Bank's credit risk grading system and approach to measuring expected credit losses, including the definition of default and significant increase in credit risk for credit related commitments, is provided in Note 26.

The total amount outstanding under undrawn lines of credit, letters of credit and contractual guarantees does not necessarily represent future cash requirements as these obligations may expire or be canceled without funds being provided to the borrower.

An analysis of changes in ECL provisions for the years ended 31 December 2025 and 2024 is presented below:

<i>In thousands of Kazakhstani Tenge</i>	Stage 1	Total
Allowance for ECL as at 1 January 2024	(121,641)	(121,641)
Change in ECL	6,659	6,659
Foreign exchange differences	(2,410)	(2,410)
Allowance for ECL as at 31 December 2024	(117,392)	(117,392)
Change in ECL	27,912	27,912
Foreign exchange differences	531	531
Allowance for ECL as at 31 December 2025	(88,949)	(88,949)

26 Risk Management

Introduction

The Bank manages risks through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities. The Bank is exposed to credit risk, liquidity risk and market risk, which in turn is subdivided into risk associated with trading operations and risk associated with non-trading activities. It is also subject to operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Bank's strategic planning process.

Risk management process comprises identification, measuring, control and limitation of risks that are carried out by the Bank on a regular basis.

Risk management structure. The Board of Directors is ultimately responsible for identifying and controlling risks; however, there are separate independent bodies responsible for managing and monitoring risks.

Board of Directors. The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies and principles.

Management Board. The Management Board has the responsibility to monitor the overall risk process within the Bank

Risk Management Committee of the Board of Directors. The Risk Management Committee of the Board of Directors assists the Board of Directors of the Bank by developing recommendations on risk management and internal control issues in order to ensure their reliability and efficiency.

Risk management. The Risk Management Unit is responsible for implementing and maintaining risk related procedures to ensure an independent control process.

The main purpose of the unit is generating and functioning of the Bank's effective risk management system providing application of methods of risk detection and control, ensuring effective determination, evaluation and limitation of the Bank's risks considering the type and scope of transactions conducted by the Bank. This unit also ensures the complete capture of the risks in risk measurement and reporting systems.

Bank Treasury. Bank Treasury is responsible for managing the Bank's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Bank.

Internal audit. Risk management processes throughout the Bank are audited annually by the internal audit that examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit function discusses the results of all assessments with management and reports its findings and recommendations to the Audit Committee.

Risk measurement and reporting systems. The Bank's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Bank also runs worst case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact, occur.

Monitoring and controlling risks is primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept, with additional emphasis on selected industries.

In addition, the Bank monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks types and activities.

26 Risk Management (Continued)

Information compiled from all the businesses is examined and processed in order to analyse, control and identify early risks. This information is presented and explained to the Board of Directors, Management Board, Asset and Liability Management Committee, Credit Committee, and the head of each business unit. The report includes aggregate credit exposure, forecast credit indicators, hold limit exceptions, liquidity ratios, interest rate risk ratios and risk profile changes.

For all levels throughout the Bank, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

A regular meeting is held with the Management Board and all other relevant departments of the Bank on the utilisation of market limits, proprietary investments and liquidity, plus any other risk developments.

Risk mitigation. The Bank actively uses collateral to reduce its credit risks (see below for more detail).

Excessive risk concentration. Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risks, the Bank's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of risks are controlled and managed accordingly.

Credit risk

The Bank is exposed to credit risk, which is the risk that one party to a transaction in a financial instrument will cause a financial loss to the other party by defaulting on an obligation under a contract.

Credit risk arises from the Bank's lending and other transactions with counterparties, which give rise to financial assets and credit related commitments.

The Bank's maximum exposure to credit risk is reflected in the carrying amount of financial assets in the Separate statement of financial position. For issued financial guarantees, commitments to extend credit, undrawn credit lines and export/import letters of credit, the maximum credit risk is the amount of the commitment.

Credit risk management. Credit risk is the single most significant risk to the Bank's business. Consequently, management pays special attention to credit risk management.

Assessing credit risk for risk management purposes is complex and requires the use of models as risk changes with market conditions, expected cash flows and over time. Assessing the credit risk of a portfolio of assets requires additional assessments of the probability of a default occurring, the associated loss ratios, and the correlation of defaults across counterparties.

Limits. The Bank controls credit risk by setting limits on a single borrower or a group of related borrowers, as well as by setting limits by geographic and industry segments. Credit risk limits by product and industry are regularly approved by management. Such risks are monitored regularly, and the limits are reviewed at least once a year.

Credit risk classification system. In order to assess credit risk and classify financial instruments by credit risk level, the Bank uses two approaches: an internal risk-based rating system or assessment of risk levels by external international rating agencies (Standard & Poor's (S&P), Fitch, Moody's).

Company Score System (FDS) - a system used to determine the creditworthiness of borrowers.

26 Risk Management (Continued)

The following table summarizes the credit ratings used in the FDS:

Credit rating	Explanation of Credit Rating
AAA	Along with being an extremely positive company, starting from financial and non-financial criteria, it can continue to have a long-term high creditworthiness.
AA	Along with being a positive company, starting from financial and non-financial criteria, may continue long-term creditworthiness
A	A company with high creditworthiness, owning high short-term creditworthiness and providing optimization starting from financial and non-financial criteria
BBB	A company expected to have a long-term creditworthiness, which has ensured the optimization of the creditworthiness of an important part of the financial and non-financial criteria
BB	A company that needs to be assessed, within the criteria of the Medium-long-term Risk Analysis, that has a short-term creditworthiness, along with a failure to optimize creditworthiness in one part of the financial and / or non-financial criteria
B	A company whose credit profile is subject to maturity review may need to be assessed under the Risk Analysis criteria, while failing to achieve credit optimization in an important part of the financial and/or non-financial criteria. Must be valued with guarantee.
CCC	An important part of financial and/or non-financial criteria is negative. A company that has short-term creditworthiness and requires a guarantee market valuation, along with the fact that there may be difficulties in fulfilling obligations.
CC	In terms of financial and/or non-financial criteria can be agreed, remains below the risk boundaries. Lending is provided only by committees of the structure of the Board of Directors or by the Credit Committee-1 of the General Directorate.
C	In terms of financial and/or non-financial criteria can be agreed, remains below the risk boundaries. Lending is provided only by committees of the structure of the Board of Directors
D	In terms of financial and/or non-financial criteria can be agreed, remains below the risk boundaries. Lending is provided only by committees of the structure of the Board of Directors

(*) Cash loans or cash equivalents cannot be considered under this table.

(**) Companies ranked in the same group receive a parent company credit rating.

The rating models are regularly reviewed by the Credit Risk Department, back-tested based on actual default data, and updated as necessary. Regardless of the method used, the Bank regularly confirms the accuracy of the ratings, calculates and evaluates the predictive abilities of models. External ratings are assigned to counterparties by independent international rating agencies such as S&P, Moody's and Fitch. These rankings are publicly available. Such ratings and corresponding ranges of default probabilities apply to interbank deposits and correspondent accounts.

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.

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.

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.

26 Risk Management (Continued)

For more detail on the maximum exposure to credit risk for each class of financial instrument, references shall be made to the specific notes. The effect of collateral and other risk mitigation techniques is shown in Note 10 and Note 26.

Treasury and interbank relationships. The Bank's treasury and interbank relationships and counterparties comprise financial services institutions, banks, broker dealers, exchanges and clearinghouses. To assess such relationships the Bank analyses publicly available information, such as financial statements, and data from other external sources, such as external ratings.

Commercial and small business lending. In case of commercial lending, the department of credit risks performs an assessment of borrowers. The credit risk assessment is based on a calculation 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 realized and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance;
- 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 prices or press releases and articles;
- any macro-economic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where 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 difficult loans to small businesses are rated by the Bank using models for retail products.

Consumer lending and mortgage lending. Consumer lending includes secured and unsecured loans to individuals. The evaluation of these products together with mortgage loans is carried out using various criteria, the main indicator for which is the number of days overdue. Other basic initial data used in the models are the following: the facts of write-offs on payment requirements-orders from other banks and government agencies, a decrease in the market value of collateral based on the results of revaluation, the presence of default on other financial assets of the same borrower, as well as the ratio of the loan amount to the cost of collateral.

The amount at risk of default. The amount at risk of default (EAD) is the gross carrying amount of financial instruments subject to impairment assessment and reflects both the client's ability to increase its debt when approaching default and the possibility of early repayment. To calculate the EAD for Stage 1 loans, the Bank estimates the probability of default within 12 months to estimate the 12-month ECL. For Stage 2, Stage 3 and POCI financial assets, the EAD indicator is considered for events that may occur throughout the life of the instrument.

The level of losses in default. In case of commercial lending, LGD values are assessed at least quarterly and reviewed and approved by the Bank's Budgeting, Performance Analysis and Risk Management Department. The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates consider the expected EAD in comparison to the amount expected to be recovered or realized 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, as well as borrower characteristics.

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 if contractual payments are more than 30 days past due since initial recognition.

The Bank also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, for example, transfer of a client/loan to the watch list or restructuring due to credit event.

When estimating ECL on a collective basis for a bank 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 ECL either on a collective or on an individual basis.

26 Risk Management (Continued)

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

- all Stage 3 assets, regardless of the class of financial assets;
- financial assets with gross amount exceeding 0,2% of total equity.

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

- stage 1 and 2 retail mortgages and consumer lending and Stage 1 and 2 commercial lending portfolio;
- financial assets with gross amount exceeding 0.2% of total equity.

Forward-looking information and multiple economic scenarios. In it's ECLs calculation models the Bank uses as economic inputs:

- GDP growth;
- growth in nominal cash income;
- unemployment rate;
- inflation;
- nominal prices in the housing market.

The inputs and models used for calculating ECL may not always capture all characteristics of the market at the date of the presentation of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

The Bank obtains the forward-looking information from third party sources (external rating agencies, governmental bodies e.g. central banks, and international financial institutions). Experts of the Credit Risk Department determine the weights attributable to the multiple scenarios. The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario as at 31 December 2025.

Key drivers	ECL scenario	Assigned probabilities, %	2025	2026	2027	Subsequent years
GDP growth, %	Upside	10%	6.50%	5.90%	5.60%	5.75%
	Base case	70%	6.30%	5.40%	4.50%	4.86%
	Downside	20%	6.20%	4.50%	3.80%	4.18%
Growth in nominal cash income, Tenge thousand per months	Upside	10%	238.0	265.1	285.8	276.9
	Base case	70%	237.9	265.2	285.1	276.4
	Downside	20%	237.7	263.8	254.8	254.9
Unemployment rate, %	Upside	10%	4.37%	4.28%	4.18%	4.22%
	Base case	70%	4.60%	4.50%	4.40%	4.44%
	Downside	20%	5.06%	4.95%	4.84%	4.88%
Inflation, %	Upside	10%	12.00%	9.50%	6.50%	7.65%
	Base case	70%	12.50%	11.50%	7.50%	8.80%
	Downside	20%	13.00%	12.20%	8.00%	9.34%
Nominal prices in the housing market, Tenge thousand/sq.m.	Upside	10%	708.8	789.6	851.2	824.6
	Base case	70%	708.4	789.9	849.1	823.2
	Downside	20%	707.2	776.2	825.9	804.1
Oil price, USD/barrel	Upside	10%	71.0	71.0	78.1	76.0
	Base case	70%	69.2	60.0	60.0	60.9
	Downside	20%	67.0	47.0	42.3	45.7

26 Risk Management (Continued)

The tables show the values of the key forward looking economic variables/assumptions used in each of the economic scenarios for the ECL calculations. The figures for "Subsequent years" represent a long-term average and so are the same for each scenario as at 31 December 2024.

Key drivers	ECL scenario	Assigned probabilities, %	2024	2025	2026	Subsequent years
GDP growth, %	Upside	10%	4.79%	5.41%	5.23%	5.22%
	Base case	70%	4.24%	4.82%	5.07%	4.94%
	Downside	20%	3.94%	3.64%	3.84%	3.81%
Growth in nominal cash income, %	Upside	10%	12.23%	11.45%	10.64%	10.96%
	Base case	70%	9.44%	8.67%	8.77%	8.82%
	Downside	20%	7.87%	8.48%	8.61%	8.51%
Unemployment rate, %	Upside	10%	4.55%	4.52%	4.52%	4.52%
	Base case	70%	4.79%	4.76%	4.76%	4.76%
	Downside	20%	5.10%	5.07%	5.07%	5.07%
Inflation, %	Upside	10%	8.00%	6.79%	6.15%	6.46%
	Base case	70%	8.42%	7.43%	6.29%	6.73%
	Downside	20%	8.85%	9.69%	9.80%	9.68%
Nominal prices in the housing market, Tenge thousand/sq.m.	Upside	10%	528.56	569.38	609.52	593.39
	Base case	70%	549.57	591.75	631.89	615.63
	Downside	20%	514.88	548.32	584.47	570.28
Oil price, USD/barrel	Upside	10%	82.60	87.60	87.00	86.68
	Base case	70%	80.83	77.95	76.83	77.45
	Downside	20%	79.70	61.50	60.00	62.27

26 Risk Management (Continued)

Below is the geographical concentration of the Bank's financial assets and liabilities as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	Kazakhstan	OECD countries	Non-OECD countries	Total
Assets				
Cash and cash equivalents	80,012,616	3,163,118	18,049,655	101,225,389
Due from other banks	5,343	-	-	5,343
Investment securities carried at amortized cost	1,021,650	-	-	1,021,650
Investments	7,001	-	-	7,001
Loans to customers	174,751,002	13,322,010	-	188,073,012
Other financial assets	376,993	189	94	377,276
Total monetary assets	256,174,605	16,485,317	18,049,749	290,709,671
Liabilities				
Due to other banks and credit institutions	4,545,647	17,701,054	-	22,246,701
Customer accounts	148,553,879	13,595,135	1,111,440	163,260,454
Lease liabilities	651,867	-	-	651,867
Other financial liabilities	118,163	3,397	597	122,157
Total monetary liabilities	153,869,556	31,299,586	1,112,037	186,281,179

Below is the geographical concentration of the Bank's financial assets and liabilities as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	Kazakhstan	OECD countries	Non-OECD countries	Total
Assets				
Cash and cash equivalents	75,754,996	24,153,772	5,305,932	105,214,700
Investment securities carried at amortized cost	1,027,054	-	-	1,027,054
Investments	554,379	-	-	554,379
Loans to customers	157,641,046	14,441,264	-	172,082,310
Other financial assets	397,714	199	79	397,992
Total monetary assets	235,375,189	38,595,235	5,306,011	279,276,435
Liabilities				
Due to other banks and credit institutions	3,882,436	18,388,135	-	22,270,571
Customer accounts	166,176,168	4,772,492	914,774	171,863,434
Lease liabilities	483,702	-	-	483,702
Other financial liabilities	110,337	3,934	7,056	121,327
Total monetary liabilities	170,652,643	23,164,561	921,830	194,739,034

Liquidity risk and funding management.

Liquidity risk is the risk that the Bank will not be able to meet its payment obligations when they fall due, under normal or unexpected conditions. To limit this risk, management has ensured that various sources of financing are available in addition to the existing minimum bank deposits. Management also manages assets with liquidity in mind and monitors future cash flows and liquidity on a daily basis. This process involves assessing expected cash flows and the availability of high-quality collateral that can be used to obtain additional financing if necessary.

The Bank monitors a number of internal liquidity indicators on a daily basis. The Bank's Treasury manages short-term liquidity on an ongoing basis using the cash position and a portfolio of highly liquid securities

26 Risk Management (Continued)

The Bank is obliged to comply with liquidity requirements established by the regulators including requirements of the NBRK represented by obligatory norms. The Bank maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseen interruption of cash flow. The Bank has also entered into credit line agreements which it can draw upon to meet its cash needs.

Analysis of financial liabilities by terms remaining to maturity. The table below shows the Bank's financial liabilities as at 31 December, by maturity, based on contractual undiscounted repayment obligations. Obligations that are redeemable on demand are treated as if the demand for redemption had been made on the earliest possible date. However, the Bank expects that many customers will not request repayment at the earliest date on which the Bank would be required to make the respective payment and, accordingly, the table does not reflect the expected cash flows calculated by the Bank based on historical demand information.

<i>In thousands of Kazakhstani Tenge</i>	On demand	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
As at 31 December 2025						
Financial liabilities						
Due to other banks and credit institutions	721	23,694	1,458,841	23,444,170	1,647,056	26,574,482
Customer accounts	36,512,294	45,590,543	75,281,837	3,369,061	2,506,719	163,260,454
Lease liabilities	-	55,916	171,650	466,790	-	694,356
Other financial liabilities	-	8,865	46,446	58,024	8,822	122,157
Total undiscounted financial liabilities	36,513,015	45,679,018	76,958,774	27,338,045	4,162,597	190,651,449

<i>In thousands of Kazakhstani Tenge</i>	On demand	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
As at 31 December 2024						
Financial liabilities						
Due to other banks and credit institutions	2,240	34,000	3,014,942	22,468,101	-	25,519,283
Customer accounts	52,046,033	27,696,904	94,953,785	1,674,982	124,733	176,496,437
Lease liabilities	-	44,637	94,775	326,710	17,580	483,702
Other financial liabilities	331	8,374	29,815	45,603	37,204	121,327
Total undiscounted financial liabilities	52,048,604	27,783,915	98,093,317	24,515,396	179,517	202,620,749

Although the analysis of liabilities by maturity shows a significant portion of customer funds in the "demand and less than 1 month" category, the repayment of these funds has historically occurred over a longer period than indicated in this table. These deposits form a reliable and long-term source of financing. During 2025, there were no significant outflows of customer funds and the Bank's management does not expect such outflows in the near future.

The Bank does not use the above undiscounted maturity analysis of liabilities for liquidity management. Instead, the Bank controls expected maturities and expected liquidity gap, which are presented in the table below:

26 Risk Management (Continued)

The table below provides an analysis of financial instruments by expected maturity as at 31 December 2025:

<i>In thousands of Kazakhstani Tenge</i>	On demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and cash equivalents	101,225,389	-	-	-	-	101,225,389
Due from other banks	-	-	-	-	5,343	5,343
Investment securities	1,021,650	-	-	-	-	1,021,650
Loans to customers	6,746,942	54,726,894	35,666,470	74,786,467	16,146,239	188,073,012
Investments	-	-	-	-	7,001	7,001
Other financial assets	364,561	1,112	5,388	1,098	5,117	377,276
Total	109,358,542	54,728,006	35,671,858	74,787,565	16,163,700	290,709,671
Liabilities						
Due to other banks and credit institutions	721	55,647	6,783	20,597,300	1,586,250	22,246,701
Customer accounts	69,958,360	29,382,662	58,043,652	3,369,061	2,506,719	163,260,454
Lease liabilities	18,569	82,136	104,021	447,141	-	651,867
Other financial liabilities	2,756	19,026	33,529	58,024	8,822	122,157
Total potential future payments for financial obligations	69,980,406	29,539,471	58,187,985	24,471,526	4,101,791	186,281,179
Liquidity gap arising from financial instruments	39,378,136	25,188,535	(22,516,127)	50,316,039	12,061,909	104,428,492

Liabilities that are repayable on demand are treated in the table above as if the demand for repayment had been made. However, the Bank expects that many customers will not demand repayment on the earliest date on which the Bank would be obligated to make the corresponding payment and, accordingly, the table does not reflect expected cash flows calculated by the Bank based on historical customer demand information.

The table below provides an analysis of financial instruments by maturity as at 31 December 2024:

<i>In thousands of Kazakhstani Tenge</i>	On demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	From 12 months to 5 years	Over 5 years	Total
Assets						
Cash and cash equivalents	105,214,700	-	-	-	-	105,214,700
Investment securities	1,027,054	-	-	-	-	1,027,054
Loans to customers	5,413,851	46,595,697	37,967,271	62,080,542	20,024,949	172,082,310
Investments	-	-	-	-	554,379	554,379
Other financial assets	391,580	-	-	1,435	4,977	397,992
Total	112,047,185	46,595,697	37,967,271	62,081,977	20,584,305	279,276,435
Liabilities						
Due to other banks and credit institutions	2,240	82,436	1,425,000	20,760,895	-	22,270,571
Customer accounts	72,365,742	29,668,317	68,241,989	1,465,132	122,254	171,863,434
Lease liabilities	16,737	58,555	64,120	326,710	17,580	483,702
Other financial liabilities	331	8,374	29,815	45,603	37,204	121,327
Total potential future payments for financial obligations	72,385,050	29,817,682	69,760,924	22,598,340	177,038	194,739,034
Liquidity gap arising from financial instruments	39,662,135	16,778,015	(31,793,653)	39,483,637	20,407,267	84,537,401

26 Risk Management (Continued)

Liquidity requirements for payments under guarantees and letters of credit are significantly lower than the amount of the corresponding commitments presented in the maturity analysis above, as the Bank does not normally expect these commitments to be called upon by third parties. The total amount of contractual loan commitments included in the table above does not necessarily represent the amount of cash that will be required in the future, as many of these commitments may not be called or terminated before they expire.

The analysis of maturity differences does not reflect the historical stability of current account funds, which have traditionally been repaid over a longer period than indicated in the tables above. These balances are included in the tables in amounts payable on demand.

The table below shows the contractual terms of the Bank's contingent and contractual credit related commitments. In this table, the Bank has disclosed the contractual duration of contingent and contractual credit related commitments based on the date of completion of such contracts.

<i>In thousands of Kazakhstani Tenge</i>	Less than 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Total
2025	4,595,211	20,407,602	43,408,802	75,206,079	143,617,694
2024	219,018	3,368,527	43,499,983	82,226,584	129,314,112

If the term of contingent and contractual obligations is presented at the earliest date on which the client can demand performance of the obligation, all of the above obligations will be presented in the "less than 3 months" category. The Bank expects that not all contractual commitments of a credit nature will need to be settled before their expiry date.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. With the exception of currency positions, the Bank does not have significant concentrations of market risk.

Change in interest rate risk. Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Bank has no floating rate non-trading financial assets and financial liabilities as at 31 December 2025 and 2024.

Currency risk. Currency risk - the risk of losses associated with changes in foreign exchange rates in the course of the Bank's activities. The risk of loss arises from the revaluation of the Bank's positions in currencies in value terms. The Bank's management sets limits on the level of risk taken by currency and monitors their compliance on a daily basis.

The following table sets out the currencies in which the Bank has significant positions as at 31 December in monetary assets and liabilities and projected cash flows. The analysis performed consists in calculating the impact of a possible change in exchange rates against the Tenge on a consolidated statement of comprehensive income (due to the presence of certain monetary assets and liabilities, the fair value of which is sensitive to changes in the exchange rate). All other parameters are assumed to be constant. Negative amounts in the table reflect a potential net decrease in the Separate statement of comprehensive income, while positive amounts reflect a potential net increase:

<i>In thousands of Kazakhstani Tenge</i>	2025		2024	
	Change in currency rate, in %	Effect on profit before tax	Change in currency rate, in %	Effect on profit before tax
Currency				
Russian ruble	28.66%	(78)	4.55%	1,807
	-28.66%	78	-4.55%	(1,807)
Euro	8.27%	601	1.76%	(159)
	-8.27%	(601)	-1.76%	159
US dollars	-4.01%	(3,912)	1.59%	(16,729)
	4.01%	3,912	-1.59%	16,729

The currency position during the year had approximately equal values due to the fact that the Bank set limits on open currency positions and the position was within the established limit.

26 Risk Management (Continued)

The currency position of the Bank as at 31 December 2025 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Tenge	US Dollar	Russian Ruble	Euro	Other currencies	Total
Assets						
Cash and cash equivalents	68,586,327	28,271,772	1,108,914	3,124,216	134,160	101,225,389
Due from other banks	5,343	-	-	-	-	5,343
Investment securities	1,021,650	-	-	-	-	1,021,650
Loans to customers	130,177,094	56,182,949	-	1,712,969	-	188,073,012
Investments	7,001	-	-	-	-	7,001
Other financial assets	312,710	64,081	-	485	-	377,276
Total financial assets	200,110,125	84,518,802	1,108,914	4,837,670	134,160	290,709,671
Liabilities						
Due to other banks and credit institutions	4,546,368	17,700,333	-	-	-	22,246,701
Customers accounts	90,873,490	66,962,545	348,229	4,978,058	98,132	163,260,454
Lease liabilities	651,867	-	-	-	-	651,867
Other financial liabilities	111,198	10,495	156	308	-	122,157
Total financial liabilities	96,182,923	84,673,373	348,385	4,978,366	98,132	186,281,179
Net balance sheet position	103,927,202	(154,571)	760,529	(140,696)	36,028	104,428,492

The currency position of the Bank as at 31 December 2024 is as follows:

<i>In thousands of Kazakhstani Tenge</i>	Tenge	US Dollar	Russian Ruble	Euro	Other currencies	Total
Assets						
Cash and cash equivalents	65,504,144	26,453,172	276,670	12,922,509	58,205	105,214,700
Investment securities	1,027,054	-	-	-	-	1,027,054
Loans to customers	98,893,262	70,246,953	-	2,942,095	-	172,082,310
Investments	554,379	-	-	-	-	554,379
Other financial assets	303,493	94,422	-	77	-	397,992
Total financial assets	166,282,332	96,794,547	276,670	15,864,681	58,205	279,276,435
Liabilities						
Due to other banks and credit institutions	3,884,676	18,385,895	-	-	-	22,270,571
Customers accounts	76,280,836	79,430,489	236,537	15,873,166	42,406	171,863,434
Lease liabilities	483,702	-	-	-	-	483,702
Other financial liabilities	106,065	14,899	94	269	-	121,327
Total financial liabilities	80,755,279	97,831,283	236,631	15,873,435	42,406	194,739,034
Net balance sheet position	85,527,053	(1,036,736)	40,039	(8,754)	15,799	84,537,401

Interest rate risk.

The Bank assumes the risk associated with the impact of fluctuations in market interest rates on its financial position and cash flows. Such fluctuations may increase the level of interest margin, but in the event of an unexpected change in interest rates, the interest margin may decrease or lead to losses. Management sets limits on the acceptable level of interest rate mismatches and monitors compliance with these limits on a regular basis.

However, during 2025 and 2024, the Bank did not have a trading book.

26 Risk Management (Continued)

The table below provides a general analysis of the interest rate risk of the Bank's financial position as of 31 December 2025 and 2024. It also reflects the total amounts of the Bank's financial assets and liabilities at book value, broken down by maturity.

<i>In thousands of Kazakhstani Tenge</i>	On demand and less than 1 month	From 1 to 6 months	From 6 to 12 months	Over 1 year	Total
31 December 2025					
Cash and cash equivalents	99,059,247	-	-	-	99,059,247
Due from other banks	-	-	-	5,343	5,343
Investment securities	1,021,650	-	-	-	1,021,650
Loans to customers	6,746,942	54,726,894	35,666,470	90,932,706	188,073,012
Total financial assets	106,827,839	54,726,894	35,666,470	90,938,049	288,159,252
Due to other banks and credit institutions	721	55,647	6,783	22,183,550	22,246,701
Customers accounts	69,958,360	29,382,662	58,043,652	5,875,780	163,260,454
Lease liabilities	18,569	82,136	104,021	447,141	651,867
Total financial liabilities	69,977,650	29,520,445	58,154,456	28,506,471	186,159,022
Net interest sensitivity gap at 31 December 2025	36,850,189	25,206,449	(22,487,986)	62,431,578	102,000,230
31 December 2024					
Cash and cash equivalents	103,443,134	-	-	-	103,443,134
Investment securities	1,027,054	-	-	-	1,027,054
Loans to customers	5,413,851	46,595,697	37,967,271	82,105,491	172,082,310
Total financial assets	109,884,039	46,595,697	37,967,271	82,105,491	276,552,498
Due to other banks and credit institutions	2,240	82,436	1,425,000	20,760,895	22,270,571
Customers accounts	72,365,742	29,668,317	68,241,989	1,587,386	171,863,434
Lease liabilities	16,737	58,555	64,120	344,290	483,702
Total financial liabilities	72,384,719	29,809,308	69,731,109	22,692,571	194,617,707
Net interest sensitivity gap at 31 December 2024	37,499,320	16,786,389	(31,763,838)	59,412,920	81,934,791

The Bank monitors interest rates on financial instruments. The table below presents interest rates as of the relevant reporting date based on reports reviewed by key management of the Bank. For securities, interest rates represent yield to maturity based on quoted market prices as of the reporting date.

<i>In % p.a.</i>	2025 r.				2024 r.			
	EUR	USD	KZT	Other	EUR	USD	KZT	Other
Assets								
Cash and cash equivalents	1.51	2.38	14.53	-	2.63	2.32	13.60	7.83
Due from other banks	-	-	-	-	-	-	-	-
Investment securities	-	-	13.76	-	-	-	13.76	-
Loans to customers	10.46	8.68	20.62	-	8.92	8.58	18.74	-
Investments	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
Liabilities								
Due to other banks and credit institutions	-	6.9	5.47	-	-	6.90	8.50	-
Customers accounts	-	-	-	-	0.36	1.85	9.15	-
-current accounts	-	-	-	-	-	-	-	-
-time deposits	0.91	2.01	16.70	-	0.55	2.43	14.28	-
Lease liabilities	-	-	12.47	-	-	-	11.60	-
Other financial liabilities	0.91	2.01	16.70	-	0.50	0.52	0.50	0.50

26 Risk Management (Continued)

If at 31 December 2025 local currency interest rates had been 500 basis points lower and foreign currency interest rates 200 basis points lower, with other variables held constant, profit for the year would have been KZT 1,067 million (2024: KZT 3,406 million) lower, mainly as a result of lower interest income on interest claims.

If at 31 December 2025 local currency interest rates had been 500 basis points higher and foreign currency interest rates 200 basis points higher, with other variables held constant, profit for the year would have been KZT 1,050 million (2024: KZT 2,693 million) higher, mainly as a result of higher interest income on interest claims.

Operational risk.

Operational risk is the risk arising from system failure, human error, fraud or external events. When controls fail, operational risks can damage reputation, have legal consequences, or result in financial loss. The Bank cannot assume that all operational risks have been eliminated, but with the help of a control system and by monitoring and appropriately responding to potential risks, the Bank can manage such risks. The control system provides for an effective segregation of duties, access rights, approval and reconciliation procedures, staff training, and evaluation procedures, including internal audit.

27 Fair Value Measurement

Fair value measurement procedures.

Board of the Bank determines the policies and procedures for recurring measurement of the fair value of real estate owned by the Bank.

External appraisers are engaged to evaluate buildings and land of the Bank. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, management of the Bank analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Bank's accounting policies. For this analysis, management of the Bank verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Management of the Bank, in conjunction with the external appraisers also compares each change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

As at 31 December 2023, an independent valuation of office buildings and land classified within property and equipment was performed. The valuation was carried out by an independent firm of professional valuers, SP "Kafedra otsenki imushchestva", which holds the requisite professional qualifications and has experience in valuing properties similar to the assets being valued in terms of location and category.

Given the difference in trends in real estate prices in the Almalinsky district of Almaty and management's analysis, the Bank concluded that the carrying amount of the buildings and land appropriately reflects current market conditions and is approximately equal to their fair value. Accordingly, the Bank did not revalue these assets as at 31 December 2024 and 2025.

Fair value hierarchy.

The Bank uses the following hierarchy for determining the fair value of assets and liabilities and disclosing information about it depending on the valuation model:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other models for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

27 Fair Value Measurement (Continued)

For the purpose of disclosing the fair values, the Bank determined classes of assets and liabilities based on the assets and liabilities nature, characteristics and risks as well as the hierarchy of fair value sources.

<i>In thousands of Kazakhstani Tenge</i>	Date of measurement	Fair Value Measurement with the use of			
		Level 1	Level 2	Level 3	Total
2025					
Assets measured at fair value					
Property and equipment – land and buildings	31 December 2025	-	-	3,863,482	3,863,482
Non-current assets held for sale	31 December 2025	-	-	6,895,384	6,895,384
Investments	31 December 2025	-	7,001	-	7,001
Assets for which fair values are disclosed					
Cash and cash equivalents	31 December 2025	2,166,519	98,866,309	-	101,032,828
Due from other banks	31 December 2025	-	4,605	-	4,605
Investment securities measured at amortized cost	31 December 2025	-	926,972	-	926,972
Loans to customers	31 December 2025	-	-	181,323,521	181,323,521
Other financial assets	31 December 2025	-	-	377,276	377,276
Liabilities for which fair values are disclosed					
Due to other banks and credit institutions	31 December 2025	-	23,704,803	-	23,704,803
Customer accounts	31 December 2025	-	-	155,361,913	155,361,913
Lease liabilities	31 December 2025	-	-	651,867	651,867
Other financial liabilities	31 December 2025	-	-	122,157	122,157

<i>In thousands of Kazakhstani Tenge</i>	Date of measurement	Fair Value Measurement with the use of			
		Level 1	Level 2	Level 3	Total
2024					
Assets measured at fair value					
Property and equipment – land and buildings	31 December 2024	-	-	3,844,179	3,844,179
Non-current assets held for sale	31 December 2024	-	-	8,489,108	8,489,108
Investments	31 December 2024	-	7,001	-	7,001
Assets for which fair values are disclosed					
Cash and cash equivalents	31 December 2024	1,774,848	103,439,852	-	105,214,700
Investment securities measured at amortized cost	31 December 2024	-	993,976	-	993,976
Loans to customers	31 December 2024	-	-	171,700,668	171,700,668
Investments in subsidiaries	31 December 2024	-	-	547,378	547,378
Other financial assets	31 December 2024	-	-	397,992	397,992
Liabilities for which fair values are disclosed					
Due to other banks and credit institutions	31 December 2024	-	22,582,583	-	22,582,583
Customer accounts	31 December 2024	-	-	167,155,605	167,155,605
Lease liabilities	31 December 2024	-	-	483,702	483,702
Other financial liabilities	31 December 2024	-	-	121,327	121,327

27 Fair Value Measurement (Continued)

Fair value of financial assets and liabilities not carried at fair value.

Below is a comparison of the carrying amount and fair value by class of the Bank's financial instruments that are not measured at fair value in the statement of financial position.

The table does not include fair values for non-financial assets and non-financial liabilities.

<i>In thousands of Kazakhstani Tenge</i>	2025			2024		
	Carrying amount	Fair value	Unrecognized gain/(loss)	Carrying amount	Fair value	Unrecognized gain/(loss)
Financial assets						
Cash and cash equivalents	101,225,389	101,032,828	(192,561)	105,214,700	105,214,700	-
Due from other banks	5,343	4,605	(738)	-	-	-
Investment securities valued at amortized	1,021,650	926,972	(94,678)	1,027,054	993,976	(33,078)
Loans to customers	188,073,012	181,323,521	(6,749,491)	172,082,310	171,700,668	(381,642)
Investments in subsidiaries	-	-	-	547,378	547,378	-
Other financial assets	377,276	377,276	-	397,992	397,992	-
Financial liabilities						
Due to other banks and credit institutions	22,246,701	23,704,803	(1,458,102)	22,270,571	22,582,583	(312,012)
Customer accounts	163,260,454	155,361,913	7,898,541	171,863,434	167,155,605	4,707,829
Lease liabilities	651,867	651,867	-	483,702	483,702	-
Other financial liabilities	122,157	122,157	-	121,327	121,327	-
Total unrecognized change in unrealized fair value			(597,029)	3,981,097		

Methods of measurement and assumptions.

The following describes the methodologies and assumptions used to determine the fair value of assets and liabilities carried at fair value in the financial statements, as well as items that are not measured at fair value in the statement of financial position, but whose fair value is disclosed:

Property and equipment – land and buildings. Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on market transaction prices, significantly adjusted for difference in the nature, location or condition of the specific property.

Assets for which fair value approximates to carrying value. For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Loans at fair value through profit or loss. Loans at fair value through profit or loss are valued using a combination of approaches. Where appropriate, loans are valued with reference to observable prices of debt securities issued by the borrower or by comparable entities. In other cases, valuation is performed using internal models based on present value techniques or, in some circumstances (for example, in respect of cash flow from assets held as collateral), external valuation reports. The non-observable inputs to the models include adjustments for credit, market and liquidity risks associated with the expected cash flows from the borrower's operations or in respect of collateral valuation.

Financial assets and financial liabilities carried at amortized cost. Valuation techniques include net present value and discounted cash inflow models and comparisons with similar instruments for which quoted market prices are known. Judgments and data used in the valuation include risk-free and benchmark interest rates, credit spreads and other adjustments used to estimate discount rates, stock and bond prices and foreign exchange rates. Valuation methods are aimed at determining the value that reflects the value of the financial instrument as at the reporting date, which was determined by independent market participants.

27 Fair Value Measurement (Continued)

The fair value of unquoted instruments, loans to customers, deposits from customers, amounts due from credit institutions, due to other banks, other financial assets and liabilities, financial lease liabilities is estimated by discounting future cash flows using rates that currently exist for debt with similar terms, credit risk and maturity. The following assumptions are used by management to estimate the fair value of financial instruments:

- discount rates of 18.6–22.0% for Tenge assets and 5.6–7.4% for foreign currency assets were used to discount future cash flows on loans to corporate customers and loans to retail customers, respectively (31 December 2024: 8.0–27.0% and 5.5–14.0%, respectively);
- to calculate estimated future cash flows on current accounts and deposits of corporate and retail customers, discount rates of 14.6-17.0% for Tenge deposits, 0.9-2.4% for foreign currency deposits were used, respectively (31 December 2024: 7.0-17.7% and 0.1-4.0%, respectively).

Significant unobservable inputs and sensitivity of level 3 non-financial instruments measured at fair value to changes to key assumptions.

The following table summarizes the sensitivity of the fair value measurement of Bank's buildings and land categorized within Level 3 of the fair value hierarchy to changes in unobservable inputs as at 31 December 2025 and 2024:

Unobservable inputs	Range	Description of sensitivity
Trade discount	0.0%–10.0%	An increase/decrease in the trade discount may result in a decrease/increase in the fair value of the Bank's land and buildings.
Adjustment for size	–27.0%–9.0%	An increase/decrease in the size allowance may result in an increase/decrease in the fair value of the Bank's land and buildings.
Adjustment for intended purpose	3.7%–6.2%	An increase/decrease in the use allowance may result in an increase/decrease in the fair value of the Bank's land and buildings.

28 Maturity Analysis of Assets and Liabilities

The Bank does not have a clearly defined operating cycle and therefore does not present current and non-current assets and long-term and current liabilities separately in the consolidated statement of financial position. Instead, assets and liabilities are presented in order of liquidity. An analysis of financial instruments by expected maturity is provided in Note 26. The table below provides information about amounts expected to be recovered or settled within or after 12 months after the end of the reporting period for items not included in the analysis presented in Note 26.

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled. See Note 26 for the Bank's contractual undiscounted repayment obligations.

In thousands of Kazakhstani Tenge	2025			2024		
	Within one year	More than one year	Total	Within one year	More than one year	Total
Non-current assets held for sale	6,895,384	-	6,895,384	8,489,108	-	8,489,108
Property, plant and equipment	-	5,889,398	5,889,398	-	4,823,657	4,823,657
Intangible assets	-	1,050,946	1,050,946	-	792,465	792,465
Prepayment of current tax liabilities	26,278	-	26,278	26,278	-	26,278
Other non-financial assets	580,730	-	580,730	1,393,680	-	1,393,680
Total non-financial assets	7,502,392	6,940,344	14,442,736	9,909,066	5,616,122	15,525,188
Deferred CIT liabilities	-	326,362	326,362	-	183,695	183,695
Other liabilities	1,091,112	53,269	1,144,381	768,675	-	768,675
Total non-financial liabilities	1,091,112	379,631	1,470,743	768,675	183,695	952,370

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29 Related Parties Disclosure

In accordance with IAS 24 "Related Party Disclosures", parties are related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may enter transactions which unrelated parties might not.

Transactions between related parties may not be affected on the same terms, conditions and amounts as transactions between unrelated parties.

The amount of related party transactions and balances as of 31 December 2025 and 2024, as well as the respective amounts of income and expenses for the years than ended are as follows:

	2025				2024				
	Controlling shareholder	Key management personnel	Entities under common control	Subsidiary organizations	Controlling shareholder	Key management personnel	Entities under common control	Subsidiary organizations	Total
Assets									
Cash and cash equivalents	536,293	-	355,412	-	891,705	654,276	310,051	-	964,327
Loans to customers	-	71,621	8,383,861	-	8,455,482	-	7,114,007	-	7,197,711
Liabilities									
Due to other banks and credit institutions	17,701,053	-	-	-	17,701,053	18,388,135	-	-	18,388,135
Customer accounts	-	95,925	22,600	187	118,712	-	207,315	672,789	928,974

The income and expense items on transactions with related parties for the years ended 31 December 2025 and 2024 were as follows:

	2025				2024				
	Controlling shareholder	Key management personnel	Entities under common control	Subsidiary organizations	Controlling shareholder	Key management personnel	Entities under common control	Subsidiary organizations	Total
<i>In thousands of Kazakhstani Tenge</i>									
Interest income	582,515	11,732	1,303,439	-	545,533	6,972	821,772	-	1,374,277
Commission income	-	-	-	16	-	-	-	13	13
Interest expense	(1,275,699)	(5,625)	(407)	(60,703)	(7,024)	(1,148)	(1,655)	(78,841)	(88,668)
Commission expenses	(136,742)	-	(12,017)	-	(148,759)	-	(13,690)	-	(124,323)
Other income	-	-	-	174,282	-	-	4,993	-	4,993
Other operating expenses	-	-	(17,379)	-	-	-	(9,943)	-	(9,943)

29 Related Parties Disclosure (Continued)

During 2025 and 2024, the Bank did not carry out any significant transactions with state organisations of the Republic of Turkey or entities under their control.

As at 31 December 2025, loans to key management personnel bore interest rates of 10%–18% per annum (31 December 2024: 8%–18% per annum) and matured in 2026–2034 (31 December 2024: 2025–2034).

The deposit from the Controlling shareholder in the amount of USD 35,000,000 was attracted at an interest rate of 6.9% and matures in December 2028. As at 31 December 2025, loans to entities under common control bore interest rates of 19%–19.2% per annum and matured in 2029.

Below is information for 2025 on the remuneration of 10 members (2024: 10 members) of key management personnel:

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Salaries and other short-term benefits	243,025	202,757
Social security contributions	25,900	18,661
Total remuneration to key management personnel	268,925	221,418

30 Capital Adequacy

The Bank maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Bank's capital is monitored using, among other measures, the ratios established by the NBRK.

During 2025 and 2024, the Bank had complied in full with its externally imposed capital requirements.

The primary objectives of the Bank's capital management are to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

The Bank manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. No changes were made in the objectives, policies and processes from the previous years.

Under the current capital requirements set by the NBRK banks have to maintain:

- a ratio of basic capital to the sum of credit risk weighted assets and contingent liabilities, market risk and a quantitative measure of operating risk weighted assets and contingent liabilities and (k1);
- a ratio of tier 1 capital less investments to the sum of credit risk-weighted assets and contingent liabilities, market risk and a quantitative measure of operational risk weighted assets, contingent assets and liabilities (k1-2);
- a ratio of own capital to the sum of credit risk weighted assets and contingent liabilities, market risk and a quantitative measure of operating risk weighted assets and contingent liabilities and (k2).

Investments for the purposes of calculation of the above ratios represent investments into share capital (interest in the share capital) of a legal entity and subordinated debt of a legal entity if their total exceeds 10% of the total of stage 1 and stage 2 capital of the Bank.

30 Capital Adequacy (Continued)

The table below presents an analysis of the Bank's capital, calculated based on information prepared by management in accordance with the requirements of the NBRK, as at 31 December 2025 and 2024.

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Tier 1 capital	116,349,539	98,317,754
Tier 2 capital	-	-
Total statutory capital	116,349,539	98,317,754
Risk-weighted assets and contingent liabilities, potential claims and liabilities	318,610,345	317,221,650
Capital adequacy ratio k1 (at least 5.5%)	36.5%	31%
Capital adequacy ratio k1-2 (at least 6.5%)	36.5%	31%
Capital adequacy ratio k2 (at least 8%)	36.5%	31%

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Tier 1 capital		
Share capital	48,500,000	48,500,000
Revaluation reserves	279,921	316,747
Retained earnings	49,153,123	23,938,468
Accumulated disclosed reserve	1,177,175	1,177,175
Loss of the current year	18,290,266	25,177,829
Intangible assets, including goodwill	(1,050,946)	(792,465)
Total Tier 1 capital	116,349,539	98,317,754
Tier 2 capital		
Revaluation reserve	-	-
Subordinated debt	-	-
Total Tier 2 capital	-	-
Total capital	116,349,539	98,317,754

<i>In thousands of Kazakhstani Tenge</i>	2025	2024
Credit risk-weighted assets	254,660,900	265,113,796
Credit risk-weighted contingent and possible liabilities	48,799,463	41,260,891
Assets and contingent and possible claims and liabilities calculated taking into account market risk	140,950	76,625
Operational risk	15,009,032	10,770,338
Total amount of risks	318,610,345	317,221,650

31 Events after the End of the Reporting Period

New Law on Banking Activities.

On 19 March 2026, a new banking law came into force in the Republic of Kazakhstan, which did not have a significant impact on the Bank's operations. Banks operating under a licence for banking and other operations issued prior to the enactment of this law are required, within six months, to apply to the authorised body for reissuance of their licence as a universal banking licence.

Geopolitical situation in the Middle East.

The Bank does not have clients directly linked to Iran, nor clients engaged in direct dealings with Iranian companies. Accordingly, any potential escalation of the conflict between the United States and Iran is not expected to have a material impact on the Bank's clients operating in Turkey.

Until February 2026, the Bank placed part of its surplus US dollar liquidity with a bank registered in the State of Qatar. These placements were short-term in nature and had matured by the date these financial statements were authorised for issue, which reduces the potential impact of regional risks on the Bank's liquidity position.

The majority of the Bank's counterparty banks are located in the Republic of Kazakhstan and the Republic of Turkey. At present, these jurisdictions are not directly affected by the conflict under consideration and their financial systems and payment infrastructure continue to operate in a stable manner. Interactions with these counterparties continue in the ordinary course of business, without disruptions in settlements or restrictions on transactions.