

ForteBank Joint Stock Company

Consolidated Financial Statements

*for the year ended 31 December 2025
with Independent Auditors' Report*

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Independent Auditors' Report

To the Shareholders and Board of Directors of ForteBank Joint Stock Company

Opinion

We have audited the consolidated financial statements of ForteBank Joint Stock Company and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

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

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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (*IESBA Code*), as applicable to audits of the consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Expected credit losses (ECL) for loans to customers	
Please refer to the Notes 3, 5, 15 and 26 in the consolidated financial statements.	
Key audit matter	How the matter was addressed in our audit
<p>Loans to customers represent 60.2% of total assets and are stated net of allowance for expected credit losses (ECL) that is estimated on a regular basis and is sensitive to assumptions used.</p> <p>The Group applies the ECL valuation model, which requires management to apply professional judgment and to make assumptions related to the following key areas:</p> <ul style="list-style-type: none"> - timely identification of significant increase in credit risk and default events related to loans to customers (allocation between Stages 1, 2, 3 and POCI (purchased or originated credit-impaired loans) in accordance with the IFRS 9); - assessment of probability of default (PD) and loss given default (LGD). <p>Due to the significant volume of loans to customers and the related estimation uncertainty of ECL allowance, this area is a key audit matter.</p>	<p>We assessed the key aspects of changes in the Group's methodology related to the ECL estimate for compliance with the requirements of IFRS 9, with the involvement of our own specialists in financial risks management.</p> <p>To assess adequacy of professional judgment and assumptions made by the management in relation to ECL allowance estimate, we performed the following procedures:</p> <ul style="list-style-type: none"> - For loans to customers we tested the design and operating effectiveness of controls over timely reflection of delinquency events in the underlying systems. - For a sample of loans to customers, for which a potential change in ECL estimate may have a significant impact on the consolidated financial statements we tested whether Stages are correctly assigned by the Group by analysing financial and non-financial information, as well as assumptions and professional judgments, applied by the Group. - Regarding individually significant loans assigned to Stage 1 and individually insignificant loans assigned to Stages 1, 2, 3 and POCI, for which ECL allowance is assessed on a collective basis, we tested the design and implementation of the related PD and LGD models, as well as agreeing input data to supporting documents on a sample basis. - We assessed general predictive capability of the models used by the Group to assess ECL by comparing the estimates made as at 1 January 2025 with actual results for 2025. <p>We also assessed whether the consolidated financial statements disclosures appropriately reflect the Group's exposure to credit risk.</p>
Acquisition of the subsidiary Home Credit Bank JSC	
Please refer to the Notes 3, 4 and 5 in the consolidated financial statements.	
Key audit matter	How the matter was addressed in our audit
<p>In June 2025 the Group entered into an agreement for the step acquisition of a 100% interest in share capital of Home Credit Bank JSC (<i>Note 4</i>).</p> <p>The method of acquisition in accordance with IFRS 3 requires management to measure the fair</p>	<p>We reviewed the contract documentation related to step acquisition of Home Credit Bank JSC to confirm our understanding of this transaction.</p> <p>We verified the fair value measurement of identifiable assets and assumed liabilities as determined by an independent valuation expert and engaged our valuation specialists to analyse the methods and assumptions used. For significant items of assets and</p>



<p>value of the identifiable assets of Home Credit Bank JSC as at the date of acquisition, which requires significant professional judgement. Management engaged an independent valuation expert to assist management with this measurement.</p> <p>Because of the need to apply accounting judgments and estimates in accounting for acquisition of Home Credit Bank JSC, this area is a key audit matter.</p>	<p>liabilities we tested the valuation techniques and assumptions used to estimate the fair value by comparing with available market information. We also recalculated, on a sample basis, the fair value of certain items of assets and liabilities.</p> <p>We critically assessed whether management had appropriately identified all assets acquired and liabilities assumed, in determining the resulting goodwill.</p> <p>We assessed the accounting treatment of re-measurement of previously held equity interest at the date of acquisition of control.</p> <p>We assessed the valuation and accounting treatment of the acquisition of the non-controlling interests subsequent to the date of acquisition of control.</p> <p>We also assessed whether the consolidated financial statements disclosures appropriately reflect the recognition of acquisition of a subsidiary, including disclosures related to significant accounting judgements and estimates.</p>
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Other Information

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

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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



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

The engagement partner on the audit resulting in this independent auditors' report is:



Assel Urdabayeva
Certified Auditor
of the Republic of Kazakhstan
Auditor's Qualification Certificate
No. MΦ-0000096 of 27 August 2012

KPMG Audit LLC

State License to conduct audit #0000021 dated 6 December 2006 issued by the Ministry of Finance of the Republic of Kazakhstan



Mukhit Kossayev
General Director of KPMG Audit LLC
acting on the basis of the Charter

6 March 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**for the year ended 31 December 2025***(millions of tenge)*

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Interest income calculated using the effective interest rate	6	672,243	517,435
Other interest income	6	9,199	5,576
Interest expense	6	(367,591)	(260,282)
Net interest income		313,851	262,729
Fee and commission income	7	39,388	36,070
Fee and commission expense	7	(19,341)	(13,679)
Net (loss)/gain on financial instruments at fair value through profit or loss	8	(40,649)	14,604
Net gain on derecognition of investment securities measured at fair value through other comprehensive income		1,398	267
Net foreign exchange gain	9	48,984	13,269
Share of profit of associates	4	2,547	–
Dividends received		471	499
Other income		8,775	4,192
Non-interest income		41,573	55,222
Credit loss expenses	10	(16,634)	(41,806)
Net gain/(loss) on derecognition of financial assets measured at amortised cost		2,446	(1,689)
Net loss on modification of liability that results in derecognition		–	(3,593)
General and administrative expenses	11	(96,721)	(87,283)
Other expenses		(14,688)	(9,237)
Non-interest expense		(125,597)	(143,608)
Profit before corporate income tax		229,827	174,343
Corporate income tax expense	12	(38,808)	(13,997)
Profit for the year		191,019	160,346
Attributable to:			
- shareholders of the Group		190,412	160,346
- non-controlling interests		607	–

The accompanying notes on pages 7 to 86 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continue)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Other comprehensive income			
<i>Other comprehensive income/ (loss) to be reclassified to profit or loss in the subsequent period</i>			
Net change in fair value of debt instruments at fair value through other comprehensive income		(81,945)	35,787
Changes in loss allowance for expected credit losses of debt instruments at fair value through other comprehensive income	10	(902)	686
Amount reclassified to profit or loss as a result of derecognition of debt instruments measured at fair value through other comprehensive income		(1,398)	(267)
Income tax relating to components of other comprehensive income	12	(227)	24
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods		(84,472)	36,230
<i>Other comprehensive income that will not be reclassified to profit or loss in the subsequent period</i>			
(Loss)/gain on equity investments measured at fair value through other comprehensive income		(6)	15
Total other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods		(6)	15
Other comprehensive income for the year, net of income tax		(84,478)	36,245
Total comprehensive income for the year		106,541	196,591

Attributable to:


- shareholders of the Group
- non-controlling interests

105,934	196,591
607	-

Basic and diluted earnings per ordinary share (tenge)	25	2.08	1.77
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Signed and authorised for release on behalf of the Management of the Bank:


 Talgat Kuanyshiev
 Chairman of the Management Board
 6 March 2026



 Aliya Sauytbekova
 Chief Accountant-
 Executive Director

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

(millions of tenge)

	<i>Note</i>	<i>31 December 2025</i>	<i>31 December 2024</i>
Assets			
Cash and cash equivalents	13	1,142,339	946,000
Amounts due from credit institutions	14	71,934	100,478
Securities measured at fair value through profit or loss		5,732	2,888
Loans to customers	15	3,686,772	1,820,134
Investment securities:			
<i>Held by the Group</i>	16	918,396	677,646
<i>Pledged under sale and repurchase agreements</i>	16	66,546	436,666
Property and equipment	17	86,737	54,232
Intangible assets		43,314	15,224
Goodwill	4	26,364	-
Other assets	18	53,993	37,668
Total assets		6,102,127	4,090,936
Liabilities			
Current accounts and deposits from customers	19	4,292,728	2,867,955
Deposit certificates	20	106,122	-
Amounts due to banks and other financial organisations	21	331,812	77,661
Amounts payable under repurchase agreements	28	64,781	435,394
Debt securities issued	22	443,087	71,844
Subordinated debt	23	11,529	14,389
Deferred tax liabilities	12	3,117	10,568
Other liabilities	18	74,088	44,941
Total liabilities		5,327,264	3,522,752
Equity			
Share capital	24	332,815	332,815
Additional paid-in capital		31,334	23,651
Perpetual bonds of additional tier one capital	24	209,586	-
Treasury shares	24	(315)	(3,465)
Fair value reserve	24	(54,277)	30,201
Retained earnings		255,720	184,982
Total equity		774,863	568,184
Total equity and liabilities		6,102,127	4,090,936

The accompanying notes on pages 7 to 86 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	<i>Note</i>	<i>2025</i>	<i>2024</i>
Cash flows from operating activities			
Interest income received	6	662,992	477,337
Interest expenses paid	6	(352,228)	(241,733)
Fee and commission income received		39,788	36,055
Fee and commission expenses paid		(18,220)	(13,668)
Net realised(loss)/gain on financial instruments at fair value through profit or loss		(44,444)	14,712
Net realised gain on foreign currency transactions		40,588	33,427
Dividends received		471	499
General administrative expense payments		(80,094)	(73,117)
Other operating (expenses paid)/income received, net		(3,115)	1,335
(Increase)/decrease in operating assets			
Amounts due from credit institutions		38,744	3,433
Securities measured at fair value through profit or loss		14	102
Loans to customers		(1,013,325)	(423,526)
Other assets		3,845	3,408
Increase/(decrease) in operating liabilities			
Current accounts and deposits from customers		839,429	484,749
Deposit certificates		(1,350)	–
Amounts due to banks and credit institutions, except of loans raised under non-government programmes		48,670	14,121
Amounts payable under repurchase agreements		(371,633)	272,117
Other liabilities		(9,074)	(4,806)
Net cash (used)/from operating activities before income tax		(218,942)	584,445
Corporate income tax paid		(49,267)	(13,712)
Net cash (used in)/from operating activities		(268,209)	570,733
Cash flows from investing activities			
Purchase of investment securities measured at amortised cost		(21,013)	–
Purchase of investment securities measured at fair value through other comprehensive income		(492,376)	(858,803)
Proceeds from sale of investment securities at fair value through other comprehensive income		220,876	47,209
Redemption of investment securities measured at fair value through other comprehensive income		321,133	501,281
Redemption of investment securities measured at amortised cost		35,729	245,096
Purchases of property and equipment and intangible assets		(23,048)	(9,548)
Proceeds from sale of property, equipment and intangible assets		2	92
Acquisition of subsidiary, net of cash acquired		(7,052)	–
Net cash from/(used in) investing activities		34,251	(74,673)

The accompanying notes on pages 7 to 86 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

	Note	2025	2024
Cash flows from financing activities			
Repayment of subordinated loans	29	(2,821)	–
Dividends paid to the shareholders of the Bank	24	(101,700)	(58,214)
Loans from credit institutions, except for loans raised under government programmes	29	158,734	–
Proceeds from placement of debt securities issued	29	231,307	6,781
Redemption of debt securities issued	29	–	(3,067)
Proceeds from placement of perpetual subordinated bonds of additional tier one capital		211,083	–
Repayment of debt securities issued	29	(72,941)	(220,000)
Proceeds from sale of previously purchased shares		10,833	–
Repayment of finance lease liabilities		(1,143)	(789)
Net cash from/(used in) financing activities		433,352	(275,289)
Effect of changes in exchange rates on cash and cash equivalents		(3,073)	21,190
Effect of expected credit loss on cash and cash equivalents		18	(3)
Net change in cash and cash equivalents		196,339	241,958
Cash and cash equivalents at the beginning of the year		946,000	704,042
Cash and cash equivalents at the end of the year	13	1,142,339	946,000
Non-monetary transactions			
Repossession of collateral on loans to customers	18	2,013	1,693

The accompanying notes on pages 7 to 86 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

(millions of tenge)

	<i>Attributable to owners of the Group</i>						<i>Total</i>	<i>Non-controlling interests</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Additional paid-in capital</i>	<i>Treasury shares</i>	<i>Fair value reserve</i>	<i>Retained earnings</i>	<i>Perpetual bonds of additional tier one capital</i>			
At 1 January 2024	332,815	23,651	(3,465)	(6,044)	82,851	–	429,808	–	429,808
Profit for the year	–	–	–	–	160,346	–	160,346	–	160,346
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods	–	–	–	15	–	–	15	–	15
Other comprehensive income to be reclassified to profit or loss in subsequent periods	–	–	–	36,230	–	–	36,230	–	36,230
Total comprehensive income for the year	–	–	–	36,245	160,346	–	196,591	–	196,591
Dividend declared (<i>Note 24</i>)	–	–	–	–	(58,215)	–	(58,215)	–	(58,215)
As at 31 December 2024	332,815	23,651	(3,465)	30,201	184,982	–	568,184	–	568,184
Profit for the year	–	–	–	–	190,412	–	190,412	607	191,019
Other comprehensive income that will not be reclassified to profit or loss in the subsequent period	–	–	–	(6)	–	–	(6)	–	(6)
Other comprehensive income to be reclassified to profit or loss in subsequent periods	–	–	–	(84,472)	–	–	(84,472)	–	(84,472)
Total comprehensive income for the year	–	–	–	(84,478)	190,412	–	105,934	607	106,541
Dividends declared (<i>Note 24</i>)	–	–	–	–	(101,704)	–	(101,704)	–	(101,704)
Acquisition of a subsidiary with non-controlling interests	–	–	–	–	–	–	–	57,554	57,554
Purchase of non-controlling interests	–	–	–	–	(17,970)	–	(17,970)	(58,161)	(76,131)
Sale of previously redeemed shares	–	7,683	3,150	–	–	–	10,833	–	10,833
Issue of perpetual subordinated bonds of additional tier one capital (<i>Note 24</i>)	–	–	–	–	–	209,586	209,586	–	209,586
At 31 December 2025	332,815	31,334	(315)	(54,277)	255,720	209,586	774,863	–	774,863

The accompanying notes on pages 7 to 86 are an integral part of these consolidated financial statements.

(millions of tenge)

1. General

Principal activities

These consolidated financial statements include financial statements of ForteBank Joint Stock Company (hereinafter, the “Bank”) and its subsidiaries (hereinafter, the “Group”).

The Bank was formed in 1999 under the laws of the Republic of Kazakhstan. On 10 February 2015, the Bank was reregistered to ForteBank JSC (formerly, Alliance Bank JSC).

Legal address of the Bank’s head office: 010017, Republic of Kazakhstan, Astana, 8/1, Dostyk Street. The Bank’s activities are regulated by the Agency for Regulation and Development of the Financial Market of the Republic of Kazakhstan (hereinafter, the “AFM”). The Bank operates under license No. 1.2.29/197/36 for conducting banking and other activities and operations on securities market stipulated by the banking legislation, issued by the AFM on 3 February 2020, which replaces previous licenses.

The Group’s primary business is related to commercial banking activities, granting of loans and guarantees, accepting deposits, exchanging foreign currencies, dealing with securities, transferring cash payments, as well as providing other banking services. As at 31 December 2025, the Bank’s issued securities are listed on the Vienna Stock Exchange, Kazakhstan Stock Exchange (hereinafter, the “KASE”) and Astana International Exchange (hereinafter, the “AIX”) (31 December 2024: KASE and AIX); the issued perpetual subordinated bonds of additional tier one capital are listed on the Vienna Stock Exchange and AIX.

The Bank is a participant of the Kazakhstan Deposit Insurance Fund (hereinafter, the “KDIF”). The primary objective of the KDIF is to protect interests of depositors in the event of forced liquidation of the participant bank. As at 31 December 2025 and 31 December 2024, depositors can receive limited insurance coverage for deposits, depending on the currency and type of the deposit: in tenge – up to 10 million tenge, in foreign currencies – up to 5 million tenge, savings deposits in tenge - up to 20 million tenge.

As at 31 December 2025 and 31 December 2024, the Group includes the following subsidiaries:

<i>Description</i>	<i>Country of registration</i>	<i>Principal activity</i>	<i>Ownership interest, %</i>	
			<i>31 December 2025</i>	<i>31 December 2024</i>
ForteLeasing JSC	Republic of Kazakhstan	Leasing operations	100,00	100,00
OUSA Alliance LLP	Republic of Kazakhstan	Doubtful and bad assets management	100,00	100,00
OUSA-F LLP	Republic of Kazakhstan	Doubtful and bad assets management	100,00	100,00
ONE Technologies LLP	Republic of Kazakhstan	Software development	100,00	100,00
ForteFinance JSC	Republic of Kazakhstan	Brokerage and dealer activities, investment portfolio management	100,00	100,00
Home Credit Bank JSC	Republic of Kazakhstan	Bank services	100,00	–
HomeITTech	Republic of Kazakhstan	Software development, implementation, sale, support and maintenance	100,00	–

In June 2025 the Bank reached the agreement in principle with the shareholders of Home Credit Bank JSC to acquire 100% of shares of Home Credit Bank JSC.

As at 31 December 2025 the Bank registered the right of ownership to 34,890 shares of Home Credit Bank JSC, which account for 100% of the total number of the placed and voting shares, and the right of ownership to 100% interest in the charter capital of HomeITTech LLP (*Note 4*). In October 2025 the Bank received permission from AFM to acquire Home Credit Bank JSC and HomeITTech LLP as subsidiaries.

2. Basis of preparation

Shareholders

As at 31 December 2025 Mr B.Zh. Utemuratov was the beneficial owner of 91.10% of the outstanding ordinary shares of the Bank (including 0.01% in the form of outstanding global depository receipts) (31 December 2024: 90.91%, including 0.2% in the form of outstanding global depository receipts) and was the ultimate controlling shareholder of the Group.

(millions of tenge)

2. Basis of preparation (continued)

General

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for measurement

The consolidated financial statements have been prepared under the historical cost convention, except for securities at fair value through profit or loss, derivative financial assets, investment securities measured at fair value through other comprehensive income that are carried at fair value.

The Group prepared its consolidated financial statements on a going concern basis.

Functional and presentation currency

The functional currency of Bank and its subsidiaries is Kazakhstani Tenge as, being the national currency of the Republic of Kazakhstan, it reflects the economic substance of the majority of the Group's transactions and circumstances relevant to them affecting its activities.

The Kazakhstani Tenge is also the presentation currency for the purposes of these consolidated financial statements.

All information of the consolidated financial statements has been rounded to the nearest million tenge, unless otherwise stated.

Geopolitical events

As a result of the conflict between the Russian Federation and Ukraine many countries have imposed, and continue to impose, new sanctions on specified Russian entities and individuals. Sanctions have also been imposed on Republic of Belarus.

Volatility in stock and currency markets, restrictions to imports and exports, availability of local materials and services and access to local resources, will directly impact entities that have significant operations or exposures with the Russian Federation, Republic of Belarus or Ukraine. However, the consequence of the current situation may directly or indirectly impact entities other than those with direct interests in the involved in conflict countries.

In order to manage country risk, the Group controls transactions with counterparties within the limits set by the collegiate body of the Bank, which are reviewed on a regular basis.

Inflation and the current economic environment

The impact of the macroeconomic and geopolitical environment has exacerbated inflationary pressures in almost all economies around the world. High and rising energy prices are having a negative impact on the cost of other goods and services, resulting in significant consumer-price increases in many countries.

Prices of many commodities, including food, remain high. According to the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, in 2025 inflation rate in Kazakhstan was 12.3% (in 2024: 8.60%).

As at 31 December 2024 the Monetary Policy Committee of the National Bank of Kazakhstan (hereinafter, the "NBRK") made decision to reduce the base rate to 15.25% per annum with an interest band of +/-1 percentage points. As at 31 December 2025 the base rate was 18.00% per annum with an interest band of +/-1 percentage points.

On 26 January 2026 the NBRK made decision to maintain the base rate at 18.00% per annum with an interest band of +/-1 percentage points.

The Group continues to assess the effect of these events and changing economic conditions on its activities, financial position and financial performance.

On 18 July 2025 the President of the Republic of Kazakhstan signed a new Tax Code and the related Law "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan related to Tax Issues". The Tax Code provides for a comprehensive simplification of tax administration. Substantial changes have affected all key areas - from corporate and individual income taxes to investment incentives and the redistribution of the tax burden. Under the new Tax Code, effective from 1 January 2026, the corporate income tax for the banking sector will increase to 25%, while the rate of 20% is preserved for income earned from lending of business entities; the benefit for value-added tax ("VAT") on banking financial transactions and certain benefits for reducing taxable income on amounts of interest income and increment in the value of government securities will be cancelled, and in addition the VAT rate will increase from 12% to 16%.

(millions of tenge)

2. Basis of preparation (continued)

Inflation and the current economic environment (continued)

This change will impact the Group's tax burden, as the amount of corporate income tax payable will increase. The Group is still in the process of assessing the potential effect of this change.

Current inflationary pressures, macroeconomic and geopolitical uncertainty, including the impacts of the conflict in Ukraine affect the assumptions associated with the measurement of assets and liabilities.

3. Material accounting policies

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 January 2025 earlier application is permitted. However, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

Other accounting standards

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

- *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7).
- *Annual Improvements to IFRS Accounting Standards* (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).
- *Contracts Referencing Nature-dependent Electricity* (Amendments to IFRS 9 and IFRS 7).
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*.

Basis of consolidation

Subsidiaries, which are entities controlled by the Group, are consolidated. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to manage the significant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(millions of tenge)

3. Material accounting policies (continued)

Basis of consolidation (continued)

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- Voting rights or potential voting rights belonging to the Group.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in full; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. If necessary, the accounting policies of subsidiaries are changed to bring it into conformity with the accounting policies of the Group.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

If the Group loses control over a subsidiary, it derecognises the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interests, the cumulative translation differences, recorded in equity; recognises the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss and reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

Business combinations

Business combinations are accounted for using the acquisition method at the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as the fair value of the consideration transferred (including the fair value of the pre-existing equity interest in the acquiree if the business combination is achieved in stages), plus the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognised in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at fair value or at their proportionate share of the recognised amount of the identifiable net assets of the acquiree at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Fair value measurement

The Group measures financial instruments at fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI), at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(millions of tenge)

3. Material accounting policies (continued)

Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial instruments

Initial recognition

Date of recognition

All regular way purchases and sales of financial assets and liabilities are recognised on the settlement date i.e. the date on which the asset is delivered by the Group or to the Group. Regular way purchases or sales of financial assets and liabilities that require delivery of assets and liabilities within the period generally established by regulation or convention in the marketplace.

Initial measurement

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

Measurement categories of financial assets and liabilities

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

- Amortised cost;
- FVOCI;
- FVTPL.

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

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

Amounts due from credit institutions, loans to customers, investment securities measured at amortised cost

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

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

These terms are detailed below.

Business model assessment

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

The Group's business model is not assessed at the level of individual instruments but at a higher level of aggregated portfolios and is based on observable factors, such as:

- how the performance of the business model and the financial assets held within that business model is evaluated and how this information is reported to the key management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

(millions of tenge)

3. Material accounting policies (continued)

Financial instruments (continued)

Initial recognition (continued)

Business model assessment (continued)

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the expected frequency, volume and timing of sales are also important aspects of the Group's business model assessment.

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

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

As a second step of its classification process, the Group assesses the contractual terms of the financial asset to identify whether they meet the SPPI test.

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

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

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

The Group measures debt instruments at FVOCI, if both of the following conditions are met:

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

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

Expected credit losses (ECL) on debt instruments at FVOCI will not decrease the carrying amount of these financial assets in the consolidated statement of financial position that continue to be measured at fair value. Instead, the amount equal to the allowance for expected losses that would be created when measuring the asset at amortised cost is recognised in other comprehensive income as the cumulative amount of the impairment with the recognition of corresponding amounts in profit or loss. The cumulative amount of losses recognised in Other comprehensive income reclassified to profit or loss when the asset is derecognised.

Debt instruments measured at FVOCI

The Group sometimes at initial recognition of some investments in equity instruments makes an irrevocable decision to classify investments in equity instruments at FVTPL if they meet the definition of an equity instrument according to IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

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

(millions of tenge)

3. Material accounting policies (continued)

Financial instruments (continued)

Initial recognition (continued)

Financial guarantees, letters of credit and credit related commitments

The Group issues guarantees, letters of credit and credit related commitments.

Financial guarantees are initially recognised in the financial statements at fair value, being the premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the consolidated statement of profit and loss and ECL allowance.

Credit related commitments and letters of credits are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

The Group occasionally issues commitments to provide loans at below-market interest rates. Such commitments are initially recognised at fair value and subsequently measured at the higher of an ECL allowance and the amount initially recognised less cumulative income, where appropriate.

Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company changes the business model for managing financial assets. Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets and liabilities in 2025.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, amount due from the National Bank of the Republic of Kazakhstan, cash balances unencumbered on stock exchange and amounts due from credit institutions that mature within ninety days of the date of origination.

Receivables under repurchase and reverse repurchase agreements and securities lending

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

Securities lent to counterparties are retained in the consolidated statement of financial position. Securities borrowed are recorded in the Consolidated statement of financial position only if these are sold to third parties. In this case the purchase and sale transaction is recorded within gains less losses from securities at fair value through profit or loss in the consolidated statement of comprehensive income. The obligation to return them is recorded at fair value as a trading liability.

Borrowings

Issued financial instruments or their components are classified as liabilities, where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity instruments. Such instruments include amounts due to banks and other financial institutions, current accounts and deposits from customers, debt securities issued and other borrowed funds. After initial recognition, borrowings are subsequent measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit or loss when liabilities are derecognised, as well as through the amortisation process.

If the Group purchases its own debt, it is removed from the consolidated statement of financial position and the difference between the carrying amount of the liability and the consideration paid is recognised in profit or loss.

Offsetting of assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the Consolidated statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The right of set-off must not be contingent on a future event and must be legally enforceable in all of the following circumstances:

(millions of tenge)

3. Material accounting policies (continued)

Offsetting of assets and liabilities (continued)

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

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

Restructuring of loans

Where possible, the Group 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 Group derecognises a financial asset, e.g. a loan to a customer, if the related contractual terms are renegotiated to the extent that it in fact becomes a new loan, and records the difference as gains or losses arising from derecognition before impairment loss is recognised. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCL. When assessing whether or not to derecognise a loan to a customer, amongst others, the Group 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.

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised from the consolidated statement of financial position where:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its right to receive cash flows from the asset, or has assumed an obligation to transfer the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and
- The Group either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group’s continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value. The extent of the Group’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Write-off

Financial assets are written off in part or in full, only when the Group does not expect to recover their value. If the amount to be written off is higher than the accumulated ECL allowance, the difference is at first recorded as the increase in the allowance that is subsequently applied to the gross carrying amount. All the subsequent reversals are recognised as credit loss expenses. The write-off leading to the derecognition event.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(millions of tenge)

3. Material accounting policies (continued)

Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Such grants are deducted from related expenses when they are reported in the consolidated financial statements.

The benefit of a government loan at a below-market rate of interest is treated as a government grant. The loan is recognised and measured in accordance with IFRS 9 *Financial Instrument*. The benefit of the below-market rate of interest is measured as the difference between the initial carrying amount of the loan determined under IFRS 9 and the proceeds received.

Property, plant and equipment and acquired intangible assets

Property, equipment and acquired intangible assets are carried at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses.

Depreciation on property and equipment and intangible assets is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets. Land plots, construction-in-progress and assets to be installed are not depreciated. The estimated useful lives of various items of property, plant and equipment are as follows:

	<i>Year</i>
Buildings	10-100
Computers	5-10
Vehicles	5-7
Other	2-25
Intangible assets	3-30

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Costs related to repairs and renewals are charged when incurred and included in other operating expenses, unless they qualify for capitalisation.

Equity

Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are both classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity. Any excess of the fair value of consideration received over the par value of shares issued is recorded as additional paid-in capital.

Treasury shares

Where the Bank or its subsidiaries purchases the Bank's shares, the consideration paid, including any attributable transaction costs, net of income taxes, is deducted from total equity as treasury shares until they are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received is included in equity. Treasury shares are stated at weighted average cost.

Other equity instruments

Other equity instruments comprise perpetual subordinated callable bonds of additional tier one capital (AT1), which are stated net of transaction costs within equity in the consolidated statement of financial position. According to the terms of the AT1 prospectus, there is no fixed maturity date and AT1 holders do not have an option for early redemption of bonds by the issuer, and the issuer has a discretionary right to pay interest.

Dividends

Dividends are recorded as a liability and deducted from equity only if they were declared before or on the reporting date. Dividends are disclosed when they are proposed before the reporting date or proposed or declared after the reporting date but before the consolidated financial statements are authorised for issue.

Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(millions of tenge)

3. Material accounting policies (continued)

Recognition of income and expenses (continued)

Interest and similar income and expenses

The Group calculates interest income on debt financial assets measured at amortised cost or at FVOCI by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment option) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of payments or receipts.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

Interest income on all financial assets at FVTPL is recognised using the contractual interest rate in “Other interest income” in the consolidated statement of profit or comprehensive income.

Loss on recognition of loans issued to customers at below market rate and income from amortisation of government grants are recognised in one item in the consolidated statement of comprehensive income.

Fee and commission income

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

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

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

Commission income from providing transaction services

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

Customer loyalty programme

The Group offers a number of customer loyalty programmes. Accounting of such programmes varies depending on who is identified as a customer and what is the Group’s role under the contract (agent or principal). For the point-based programmes, the Group generally recognized a liability for the accumulated points that are expected to be utilised by the customers, which is reversed to profit or loss as the points expire. Cashback on plastic cards reduces the fee and commission income.

Dividend income

Income is recognised when the Group’s right to receive the payment is established.

Segment reporting

An operating segment is a component of a Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same Group); whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

*(millions of tenge)***3. Material accounting policies (continued)****Foreign currency translation**

Transactions in foreign currencies are initially recorded in the functional currency, converted at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Tenge at the market exchange rate established by KASE at the date of the consolidated statement of financial position. Gains and losses resulting from the translation of foreign currency transactions are recognised in the consolidated statement of comprehensive income as gains less losses 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 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 market exchange rate on the date of the transaction are included in gains less losses from foreign currencies dealing.

As at 31 December 2025 the official exchange rate used for translation of monetary balances on foreign currency accounts was 505.53 tenge for 1 US Dollar (31 December 2024: 525.11 tenge for 1 US Dollar).

4. Business combinations

In September 2025 the Group acquired 26.8% of shares of Home Credit Bank JSC, which were classified within investments in associates. On 30 November 2025 the Group gained control over Home Credit Bank JSC having increased its ownership interest to 75%. During the period of accounting of investments in associates the Group recognised share in its profit in the amount of 2,547 million tenge in the consolidated statement of comprehensive income. In December 2025, as part of the stepped acquisition, the ownership share was increased to 100%. The principal activities of the Bank are retail lending, deposit taking and customer accounts maintenance, issuing guarantees, cash settlement operations and foreign exchange.

Additionally, in November 2025, the Group acquired a 100% ownership interest in the charter capital of HomeITTech LLP. Principal activity of HomeITTech LLP is development, implementation, sale, support and maintenance of software to be used by financial institutions.

The Group has acquired Home Credit Bank JSC and HomeITTech LLP in connection with its strategic initiatives aimed at increase of a market share and ability to get a synergetic effect.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed of Home Credit Bank JSC at the acquisition date:

Fair value of Home Credit Bank JSC	30 November 2025
Assets	
Cash and cash equivalents	276,274
Amounts due from credit institutions	10,856
Loans to customers	906,237
Investment securities	403
Securities carried at fair value through profit or loss	1,134
Property and equipment and intangible assets	34,885
Right-of-use assets	9,903
Other assets	15,165
Total assets	1,254,857
Liabilities	
Financial instruments measured at fair value through profit or loss	1,333
Amounts due to banks and other credit institutions	1,157
Current accounts and deposits from customers	617,585
Debt securities issued	219,551
Other borrowed funds	43,319
Deposit certificates	104,591
Lease liabilities	9,903
Other liabilities	27,201
Total liabilities	1,024,640
Net asset value	230,217

*(millions of tenge)***4. Business combinations (continued)****Identifiable assets acquired and liabilities assumed (continued)**

The following table summarises the recognised amounts of assets acquired and liabilities assumed of HomeITTech LLP at the acquisition date:

Fair value of HomeITTech LLP	30 November 2025
Assets	
Cash and cash equivalents	11,630
Property and equipment	152
Right-of-use assets	2,877
Other assets	145
Total assets	14,804
Liabilities	
Lease liabilities	3,119
Other liabilities	970
Total liabilities	4,089
Net asset value	10,715

Acquisition-related costs, consisting of legal and professional fees, amounted to 189 million tenge.

Goodwill

Goodwill recognised upon acquisition of control over Home Credit Bank JSC and HomeITTech LLP was determined as follows:

Fair value of net identifiable assets of Home Credit Bank JSC	230,217
Non-controlling interest (25% share), based on the proportionate interest in the recognised amounts of the assets and liabilities	(57,554)
Fair value of net identifiable assets of HomeITTech LLP	10,715
Fair value of investment in associate (26.8% share)	(48,047)
Consideration paid for acquisition of control (48.2% share)	(147,049)
Consideration paid for acquisition of HomeITTech LLP (100% ownership)	(14,646)
Total goodwill	(26,364)

The fair value of the Group's 26.8% share was close to the carrying amount including the share of profit of associate. All consideration was paid in cash.

The goodwill is attributable mainly to the value of expected synergies from combining operations and assembled workforce of the acquired organisations. None of the goodwill recognised is expected to be deductible for corporate income tax purposes.

The valuation techniques used to determine the fair value of significant assets acquired and liabilities assumed are as follows:

Assets/liabilities acquired	Valuation techniques
Loans to retail customers	<i>Discounted cash flow method.</i> For fair value measurement purposes, the loan portfolio was split into performing and non-performing loan portfolios (NPL). Each portfolio was analysed depending on collateral availability (secured and unsecured) and the type of loan by pool/segment. Loans were also analysed according to the Bank's IFRS 9 classifications (Stages 1, 2, 3 and POCI). The fair value of loans to retail customers was determined as the present value of expected future cash flows discounted using market interest rates within the range from 18.9% to 46% p.a. reported by the NBRK and other publicly available sources.
Investment securities	<i>Market approach.</i> For the purposes of determining the fair value of investment securities, we used the KASE-reported estimated prices based on its own methodology.
Financial instruments measured at fair value through profit or loss	<i>Market approach.</i> For the purposes of determining the fair value of financial instruments, the transactions involving financial instruments measured at fair value through profit or loss were assessed for compliance with market conditions based on forward quotations and daily trading ranges available on KASE.
Property and equipment and intangible assets	<i>Market and cost approaches.</i> The Bank's property and equipment were classified into groups according to their designated purpose and divided into specialised and non-specialised assets depending on the existence/absence of an active secondary market. For non-specialised assets, the sales/offer comparison method and market extrapolation method were applied within the market approach, while the cost approach was applied for specialised assets. The valuation of intangible assets was based on the cost approach.

(millions of tenge)

4. Business combinations (continued)

Assets/liabilities acquired	Valuation techniques
Right-of-use assets/ Lease liabilities	Discounted cash flow method. The fair value of rights-of-use assets was determined with reference to the fair value of lease liabilities. The fair value of lease liabilities was determined by discounting future lease payments based on repayment schedules and lease agreement terms using the market rates within the range from 18.9% to 19.8% p.a. For the purpose of determining the discount rate, the KZT yield curve for market rates was drawn up, adjusted to risk.
Debt securities issued	Discounted cash flow method. The fair value of securities was determined by discounting future payments in accordance with repayment schedule and the terms of prospectus. The yield curve for market rates has been drawn up to determine the discount rate, taking into account the characteristics of the respective securities, using market rates in the range of 18.9% to 19.8% p. a. for KZT-denominated securities and in the range of 5.3% to 8.8% p.a. for USD-denominated securities. The yield curve calculations incorporated components such as the risk-free rate adjusted for country, credit and currency risks.
Current accounts and deposits from customers Deposit certificates	Discounted cash flow method. Deposit and deposit certificates were measured by discounting expected cash flows using market interest rates within corresponding to the relevant maturity and currency of the deposit. To determine the market interest rate, an analysis of the weighted average rates was conducted to determine their compliance with market rates.

The methods and assumptions used to determine the fair value of the Group' financial instruments at the acquisition date were substantially consistent with the fair value estimation techniques described in *Note 34*.

For the period from the acquisition date to 31 December 2025, the acquisition of Home Credit Bank JSC resulted in the Group's incremental net interest income of 14,832 million tenge and an incremental net profit of 2,595 million tenge. If the acquisition of business had occurred on 1 January 2025, management estimates that consolidated net interest income would have been 490,475 million tenge, and consolidated profit for the year would have been 245,888 million tenge. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025.

The related gross contract amounts and estimated uncollectible amounts attributable to them as at the date of acquisition are as follows:

- Loans to customers – 952,555 million tenge and 46,318 million tenge.

Impairment testing for cash generating unit (hereinafter, the "CGU") containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs, Home Credit Bank JSC and HomeITTech LLP.

As at 31 December 2025 the recoverable amount of Home Credit Bank JSC was determined on the basis of fair value less costs to sell using a market multiple approach. Based on the Group's assessment, no indicators of impairment of goodwill were identified.

The fair value measurement was categorised as a Level 2 fair value based on the inputs in the valuation technique used. The key assumptions used in the estimation of the recoverable amount are set out below.

Home Credit Bank JSC (the CGU) is positioned above the market, supported by ROE above 10%, strong retail-driven growth, solid capitalization and transparency, advanced IT solutions and an investor return of 7,6% per annum.

The recoverable amount of the CGU in the amount of 307,524 million tenge was based on the fair value less costs to sell estimated using a multiple approach, reflecting market participant assumptions in an active industry using the average price-to-book (P/B) value of 1.3.

The multiples method (or comparable analysis) is an approach to valuing an acquired organisation based on comparing its financial or operational indicators with those of comparable companies or transactions. It is based on the principle that businesses with similar characteristics should exhibit similar values when measured by the same ratios. The process includes selecting relevant comparables, calculating and adjusting their multiples, identifying a representative coefficient, and multiplying it by the company's performance metric to derive the final value. Additional adjustments, such as discounts for lack of liquidity or control premiums, may be applied where necessary and are typically based on expert judgment, making them partly subjective.

A 5% decrease in P/B ratio would not result in an impairment loss.

(millions of tenge)

5. Significant accounting judgements and estimates

Estimation uncertainty

In the process of applying the Group's accounting policies, management has used its judgements and made estimates in determining the amounts recognised in the consolidated financial statements. The most significant use of judgements and estimates are as follows:

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Expected credit losses on financial assets

The measurement of impairment losses both under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining the ECL and the assessment of a significant increase in credit risk (including whether the collateral value during subsequent measurement impacts ECL assessment for a portfolio of purchased or originated credit-impaired loans). These estimates are driven by a number of factors, changes in which can result in different levels of allowances for ECL. In addition, large-scale business disruptions can lead to liquidity problems for some organizations and consumers. The Group'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 Group's internal credit grading model, which assigns PDs to the individual grades;
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for ECL for financial assets should be measured on a lifetime expected credit losses basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulae and the choice of inputs;
- Identification of relationships between macroeconomic scenarios and economic data, such as the US dollar exchange rate, inflation, and the real wage index, and the effect on Probability of Default (PD), Exposure at Default (EAD), and Loss on Default (LGD); and
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

Under the LGD model, LGD is calculated based on the Group's statistics about debt recovery rates after default. Debt recovery rate after default is calculated based on various repayment sources, and a potential recovery of debt is considered once a borrower is no longer in default. Based on various debt repayment sources and methods (including settlement mechanisms applied), the repayment scenarios (recovery, recovery as a result of restructuring, collection) and respective repayment sources/methods are considered. LGDs and probabilities of implementation of the scenarios are assessed by subsegment; in calculation of an allowance for a loan, the parameters of the LGD model that correspond to a subsegment of such loan are applied (*Note 15*).

Collateral assessment

The Group management performs monitoring of collateral on a regular basis. The Group's management uses internal valuation approaches based on Kazakhstani and international requirements or independent valuation to adjust the value of collateral in light of the current market situation.

Taxes

The Republic of Kazakhstan currently has a single Tax Code that regulates main taxation matters. The existing taxes include value added tax, corporate income tax, social and other taxes. Implementing regulations are often unclear or non-existent and insignificant amount of precedents has been established. Often, differing opinions regarding legal interpretation exist both among and within government ministries and organisations; thus creating uncertainties and areas of conflict. Tax returns, together with other legal compliance areas (as examples, customs and currency control matters) are subject to review and investigation by a number of authorities, which are enabled by law to impose severe fines, penalties and forfeits. These facts create tax risks in Kazakhstan substantially more significant than typically found in countries with more developed tax systems.

The management believes that the Group's tax position as at 31 December 2025 and 31 December 2024 was in compliance with tax laws of the Republic of Kazakhstan regulating its activities. However, the risk remains that relevant authorities could take differing positions with regard to interpretive tax issues.

*(millions of tenge)***5. Significant accounting judgements and estimates (continued)****Estimation uncertainty (continued)***Business acquisition*

The acquisition method under IFRS 3 requires management to measure fair value of identifiable assets and liabilities of acquired subsidiaries as at the acquisition date and thus, requires applying a significant professional judgement. Management has engaged an independent appraiser to get assistance in such measurement. Key techniques, assumptions and assessments are disclosed in *Note 4*.

Classification of AT1 bonds

On initial recognition the Group classifies AT1 bonds as equity instruments, applying accounting judgement in accordance with IAS 32, based on the following issuance terms:

- The Group has full discretion over the payment of interest, and such payments are made solely at the discretion of the Group. Any cancelled interest payments are non-cumulative and are not payable in subsequent periods.
- In the event of liquidation of the Group, AT1 instruments are to be settled in the penultimate order of priority.
- AT1 bonds do not have a fixed maturity date, and the holders do not possess a redemption option other than in the case of the Group's liquidation.

Based on the analysis of the AT1 bond prospectus, the Group concluded that this instrument does not give rise to a contractual obligation for the Group to deliver cash or another financial asset to the holders, which meets the definition of an "equity instrument" under IFRS Accounting Standards.

6. Net interest income

Net interest income comprises:

	<u>2025</u>	<u>2024</u>
Interest income calculated using effective interest rate		
Loans to customers	487,699	313,737
Debt securities at FVOCI	112,126	104,482
Amounts due from credit institutions	63,388	80,196
Amounts receivable under reverse repurchase agreements	5,584	2,490
Investment securities measured at amortised cost	2,139	15,174
Other financial assets	1,307	1,356
	<u>672,243</u>	<u>517,435</u>
Other interest income		
Finance lease receivables	9,199	5,576
	<u>681,442</u>	<u>523,011</u>
Interest expense		
Current accounts and deposits from customers	(273,664)	(181,376)
Amounts payable under repurchase agreements	(59,444)	(40,063)
Debt securities issued	(18,915)	(32,656)
Amounts due to banks and other credit institutions	(12,923)	(5,051)
Deposit certificates	(1,634)	–
Subordinated debt	(1,011)	(1,136)
	<u>(367,591)</u>	<u>(260,282)</u>
Net interest income	<u>313,851</u>	<u>262,729</u>

Interest income calculated using the effective interest rate for 2025 includes income in the amount of 39,993 million tenge representing the unwinding of discount on loans to customers (for 2024: 12,624 million tenge).

*(millions of tenge)***6. Net interest income (continued)**

Interest income received is as follows:

	<u>2025</u>	<u>2024</u>
Interest income received		
Loans to customers	488,986	295,894
Debt securities at FVOCI	91,496	76,852
Amounts due from credit institutions and cash equivalents	63,513	82,731
Finance lease receivables	9,199	5,576
Amounts receivable under reverse repurchase agreements	5,584	2,490
Investment securities measured at amortised cost	4,214	13,794
	<u>662,992</u>	<u>477,337</u>

Interest expenses paid comprises:

	<u>2025</u>	<u>2024</u>
Interest expenses paid		
Current accounts and deposits from customers	(269,852)	(183,134)
Amounts payable under repurchase agreements	(58,424)	(40,243)
Debt securities issued	(15,701)	(14,497)
Amounts due to banks and other credit institutions	(7,201)	(2,723)
Subordinated debt	(1,050)	(1,136)
	<u>(352,228)</u>	<u>(241,733)</u>

7. Net fee and commission income

Fee and commission income is as follows:

	<u>2025</u>	<u>2024</u>
Card operations	12,781	13,900
Settlement operations	10,905	9,639
Commissions on guarantees and letters of credits	6,257	4,850
Cash operations	5,990	5,437
Agent services	614	–
Foreign currency transactions and transactions with securities	526	452
Other	2,315	1,792
	<u>39,388</u>	<u>36,070</u>

Fee and commission expense is as follows:

	<u>2025</u>	<u>2024</u>
Maintenance of card accounts	(14,042)	(10,439)
Settlement operations	(1,698)	(905)
Maintenance of nostro accounts	(1,176)	(1,015)
Agent services	(1,013)	–
Financial agents service of customer accounts	(248)	(186)
Foreign currency transactions and transactions with securities	(186)	(273)
Other	(978)	(861)
	<u>(19,341)</u>	<u>(13,679)</u>

As at 31 December 2025 and 31 December 2024 the Group recognised contract assets related to contracts with customers in the amount of 964 million tenge and 1,364 million tenge within other assets, respectively (*Note 18*).

8. Net (loss)/gain on financial instruments at fair value through profit or loss

Net (loss)/gain on financial instruments at fair value through profit or loss comprises:

	<u>2025</u>	<u>2024</u>
Net gain/(loss) on change in fair value of trading securities	2,755	(40)
Net (loss)/gain on derivative financial instruments	(43,404)	14,644
	<u>(40,649)</u>	<u>14,604</u>

During 2025 the Group recognised a net loss of 43,404 million tenge (2024: net gain of 14,644 million tenge) on derivative financial instruments measured at fair value through profit or loss as a result of attracting liquidity in tenge and redistributing the terms of transactions to ensure the stability of funding.

*(millions of tenge)***9. Net foreign exchange gain**

Net foreign exchange gain is presented as follows:

	<i>2025</i>	<i>2024</i>
Dealing transactions, net	40,588	33,427
Translation differences, net	8,396	(20,158)
	48,984	13,269

10. Credit loss expenses

Credit loss expenses for 2025 comprised the following:

	<i>2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Cash and cash equivalents	(14)	–	–	–	(14)
Amounts due from credit institutions	188	–	–	–	188
Loans to customers (<i>Note 15</i>)	1,419	(4,817)	(19,775)	6,295	(16,878)
Investment securities measured at amortised cost	54	5	–	–	59
Investment securities measured at FVOCI	751	151	–	–	902
Other financial assets	–	–	(836)	–	(836)
Financial guarantees, letters of credit and undrawn related commitments	(55)	–	–	–	(55)
	2,343	(4,661)	(20,611)	6,295	(16,634)

Credit loss expenses for 2024 comprised the following:

	<i>2024</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Cash and cash equivalents	(2)	–	–	–	(2)
Amounts due from credit institutions	(19)	–	–	–	(19)
Loans to customers (<i>Note 15</i>)	207	(6,860)	(29,038)	(4,859)	(40,550)
Investment securities measured at amortised cost	48	8	–	–	56
Investment securities measured at FVOCI	(732)	46	–	–	(686)
Other financial assets	–	–	(602)	–	(602)
Financial guarantees, letters of credit and undrawn related commitments	(3)	–	–	–	(3)
	(501)	(6,806)	(29,640)	(4,859)	(41,806)

*(millions of tenge)***11. General and administrative expenses**

General and administrative expenses comprise:

	<i>2025</i>	<i>2024</i>
Salary and related taxes	(52,921)	(49,702)
Depreciation and amortisation	(10,241)	(10,807)
Telecommunication and information services	(8,331)	(7,381)
Advertising and marketing	(6,349)	(3,362)
Taxes other than corporate income tax	(4,160)	(4,181)
Charity and sponsorship	(2,236)	(3,321)
Other professional services	(2,059)	(803)
Maintenance of buildings	(1,715)	(1,868)
Repair and maintenance	(1,588)	(1,052)
Security	(1,220)	(1,083)
Encashment	(960)	(852)
Transportation services	(832)	(641)
Business trips	(658)	(578)
Lease	(632)	(394)
Insurance	(281)	(328)
Other	(2,538)	(930)
	(96,721)	(87,283)

The cost of audit and other consulting services provided by one company for 2025 to the Group amounted to 420 million tenge and 146 million tenge, respectively (for 2024: 299 million tenge and 15 million tenge, respectively).

12. Corporate income tax expense

Corporate income tax expenses comprise the following:

	<i>2025</i>	<i>2024</i>
Current corporate income tax expense	(46,620)	(16,137)
Deferred corporate income tax expense – origination and reversal of temporary differences	7,812	2,140
Corporate income tax expense	(38,808)	(13,997)

The income of the Bank and its subsidiaries is subject to taxation in the Republic of Kazakhstan. Kazakhstan legal entities have to file corporate income tax returns to the tax authorities. The statutory corporate income tax rate in 2025 and 2024 was 20%.

On 18 July 2025 the President of the Republic of Kazakhstan signed amendments to the Tax Code of the Republic of Kazakhstan, which, among other changes, introduced an excess profits tax for certain sectors of the economy, including the banking sector. In line with these amendments, the Group recognised excess profit tax expenses in 2025 at a rate of 10%, which are presented within current income tax expenses. These expenses stem from capital gains tax on the sale of government securities, as well as interest income on deposits placed with the NBRK with maturities of up to one year.

*(millions of tenge)***12. Corporate income tax expense (continued)**

Below is the reconciliation of income tax expenses based on statutory rate with income tax expenses recorded in the consolidated financial statements:

	<u>2025</u>	<u>2024</u>
Profit before corporate income tax expense	229,827	174,343
Statutory corporate income tax rate	20%	20%
Theoretical corporate income tax expense at the statutory rate	(45,965)	(34,869)
Non-taxable income on state securities and securities officially listed at KASE	21,693	23,571
Change in tax legislation relating to income tax rates	(14,986)	–
Adjustment of corporate income tax expense for prior years	(605)	(86)
Effect of recalculated deferred income tax due to changes in tax legislation effective 1 January 2026	925	–
Non-deductible credit loss expense	(19)	(351)
Other	149	(2,262)
Corporate income tax expense	(38,808)	(13,997)

Deferred tax assets and liabilities as at 31 December, as well as their movements for the respective years comprise the following:

	<i>2023</i>	<i>Origination and reversal of temporary differences within profit or loss</i>	<i>Origination and reversal of temporary differences within other comprehensive income</i>	<i>2024</i>	<i>Origination and reversal of temporary differences within profit or loss</i>	<i>Origination and reversal of temporary differences within other comprehensive income</i>	<i>Acquisition of subsidiaries</i>	<i>2025</i>
Loans to customers	4,499	(1,502)	–	2,997	15,349	–	–	18,346
Investment securities measured at FVOCI	213	–	24	237	–	(227)	4	14
Investment securities measured at amortised cost	(2,678)	2,678	–	–	–	–	–	–
Debt securities issued	(3,824)	3,709	–	(115)	115	–	–	–
Amounts due to banks and other credit institutions	(16,745)	(4,597)	–	(21,342)	(2,873)	–	89	(24,126)
Property and equipment and intangible assets	4,751	(1,927)	–	2,824	(2,236)	–	(1,985)	(1,397)
Deferred income from government support programmes of the economy	–	3,422	–	3,422	(1,730)	–	–	1,692
Other	1,052	357	–	1,409	(813)	–	1,758	2,354
Deferred tax liabilities, net	(12,732)	2,140	24	(10,568)	7,812	(227)	(134)	(3,117)

*(millions of tenge)***13. Cash and cash equivalents**

Cash and cash equivalents comprise:

	<i>31 December</i> <i>2025</i>	<i>31 December</i> <i>2024</i>
Cash on hand	78,808	63,305
Cash on current accounts with the NBRK	272,222	25,596
Cash on current accounts with other banks:		
- rated from AA- to AA+	80,259	29,342
- rated from A- to A+	118,843	11,995
- rated from BBB- to BBB+	19,389	2,735
- rated from BB- to BB+	1,193	996
- rated below B+	–	2
- not rated	13,801	18,393
Time deposits with the NBRK with contractual maturity of 90 days or less	475,913	761,100
Amount receivable under reverse repurchase agreements with contractual maturity 90 days or less (<i>Note 28</i>)	72,933	6,554
Time deposits with other banks rated from AA- to AA+ with contractual maturity 90 days or less	293	–
Time deposits with other banks rated from A- to A+ with contractual maturity 90 days or less	1,233	21,547
Time deposits with other banks rated from BBB- to BBB+ with contractual maturity 90 days or less	240	–
Time deposits with credit institutions with contractual maturity 90 days or less, not rated	7,242	4,483
Cash and cash equivalents before allowance for ECL	1,142,369	946,048
Allowance for ECL	(30)	(48)
Cash and cash equivalents	1,142,339	946,000

The external credit ratings are presented by reference to the credit ratings of Standard & Poor's credit rating agency or analogues of similar international agencies.

As at 31 December 2025 cash balances of 9,360 million tenge with no external rating assigned and allowance for ECL of 14 million tenge are allocated to Stage 2. As at 31 December 2024 balances of 84 million tenge with no external rating assigned and allowance for ECL of 1 million tenge are allocated to Stage 2. The remaining cash is allocated to Stage 1.

As at 31 December 2025 current account balances with other non-rated banks comprise mainly balances of 13,566 million tenge on current accounts with Russian banks and credit institutions that are not subject to sanctions (31 December 2024: 18,247 million tenge). As at 31 December 2025 current account balances with other banks are not past due.

As at 31 December 2025 the Group entered into reverse repurchase agreements at the Kazakhstan Stock Exchange. The subject of these agreements are bonds of the Ministry of Finance of the Republic of Kazakhstan, the total fair value of which as at 31 December 2025 is 72,971 million tenge (31 December 2024: bonds of the Ministry of Finance of the Republic of Kazakhstan and Eurasian Development Bank with a total fair value of 6,646 million tenge).

Minimum reserve requirements

In accordance with regulations issued by the NBRK, minimum reserve requirements are calculated as a percent of specified banks liabilities. Banks are required to comply with these requirements by maintaining average reserve assets (local currency cash and NBRK balances) equal or in excess of the average minimum requirements. As at 31 December 2025 combined minimum reserve requirements of the Group amount to 243,715 million tenge (31 December 2024: 56,217 million tenge).

On 25 July 2025 the NBRK approved a Resolution "*On Amendments and Additions to Certain Resolutions of the Board of the NBRK on Minimum Reserve Requirements (hereinafter – MRR)*". The changes to the MRR mechanism were introduced as part of efforts to strengthen the anti-inflationary stance and further enhance the monetary policy instruments of the NBRK. The MRR ratios were established and set depending on the Bank's classification into Group 1, 2 or 3 and increased as follows: for tenge denominated liabilities from 0%–2% to 3.5%, for foreign currency liabilities from 1%–3% to 10%.

Starting from 1 September 2026 the MRR ratios will be further adjusted and established, depending on the Bank's group classification, at the following levels: for tenge denominated liabilities at 5%, for foreign currency liabilities – 15%.

Concentration of cash and cash equivalents

As at 31 December 2025 the Group has an account with one bank whose balances exceed 10% of total cash and cash equivalents (31 December 2024: one bank). The total balance on the account with the above counterparty as at 31 December 2025 amounts to 748,135 million tenge (31 December 2024: 786,696 million tenge).

*(millions of tenge)***14. Amounts due from credit institutions**

Amounts due from credit institutions comprise:

	<i>31 December</i> <i>2025</i>	<i>31 December</i> <i>2024</i>
Current accounts with the NBRK restricted in use	7,649	14,165
Deposits with the NBRK with up to 90 days or more	–	52,640
Loans to other banks:		
- rated from BB- to BB+	4,919	1,405
- rated from B- to B+	–	7,123
Deposits with other banks:		
- not rated	662	702
Contingent deposits and deposits pledged as a collateral:		
- rated from AA- to AA+	29,376	14,157
- rated from A- to A+	5,364	4,764
- rated from BBB- to BBB+	1,447	399
- not rated	24,617	6,075
Amounts due from credit institutions before allowance for ECL	74,034	101,430
Allowance for ECL	(2,100)	(952)
Amounts due from credit institutions	71,934	100,478

The external credit ratings are presented by reference to the credit ratings of Standard & Poor's credit rating agency or analogues of similar international agencies.

Amounts on current accounts with the NBRK restricted in use include funds received by the Bank as part of participation in the state programme of lending businesses. As at 31 December 2025 and 31 December 2024, these funds include amounts allocated by Damu Entrepreneurship Development Fund JSC, Development Bank of Kazakhstan JSC, and Industrial Development Fund JSC in favour of the Bank to support entrepreneurship and provide preferential loans to individuals for the purchase of domestically produced passenger vehicles.

Loans to other banks include loans that mature in 2026 and bear interest rates of 3.38% to 3.75% per annum. As at 31 December 2025, the outstanding principal balance was 9,7 million US dollars and the equivalent in tenge was 4,892 million (31 December 2024: 16,1 million US dollars and the equivalent in tenge was 8,495 million).

As at 31 December 2025 contingent deposits and deposits pledged as collateral with no external credit rating assigned mainly include KASE margin collateral in the amount of 23,244 million tenge (31 December 2024: 6,019 million tenge).

As at 31 December 2025 contingent deposits and deposits pledged as collateral include contingent deposits restricted for use on transactions with providers of payment system services in the amount of 34,615 million tenge (31 December 2024: 18,116 million tenge).

As at 31 December 2025 and 31 December 2024 all balances of amounts due from credit institutions are not overdue and allocated to Stage 1 for ECL measurement purposes.

Concentration of amounts due from credit institutions

As at 31 December 2025 the Group has amounts due from three credit institutions which individual balances exceed 10% of total due from credit institutions (31 December 2024: from two credit institutions). As at 31 December 2025 the total amount of such balances is 60,143 million tenge (31 December 2024: 80,631 million tenge).

*(millions of tenge)***15. Loans to customers**

Loans to customers comprise:

	<i>31 December 2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Individually significant loans	1,067,396	39,036	2,249	690	1,109,371
Total individually significant loans	1,067,396	39,036	2,249	690	1,109,371
Individually insignificant loans					
Corporate loans	537,493	13,239	34,368	710	585,810
Consumer loans	1,192,864	31,639	118,627	65,782	1,408,912
Car loans	527,502	1,914	3,319	21	532,756
Credit cards	74,976	1,115	1,160	5,030	82,281
Mortgage loans	54,132	449	1,984	3,663	60,228
Other loans secured by collateral	45,715	485	7,883	6,562	60,645
Total individually insignificant loans	2,432,682	48,841	167,341	81,768	2,730,632
Loans to customers before allowance for ECL	3,500,078	87,877	169,590	82,458	3,840,003
Allowance for ECL	(37,342)	(14,213)	(97,629)	(4,047)	(153,231)
Loans to customers	3,462,736	73,664	71,961	78,411	3,686,772

	<i>31 December 2024</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Individually significant loans	766,736	4,163	825	821	772,545
Total individually significant loans	766,736	4,163	825	821	772,545
Individually insignificant loans					
Corporate loans	372,297	9,831	14,147	1,282	397,557
Consumer loans	404,546	21,530	60,264	36	486,376
Car loans	167,966	549	488	16	169,019
Credit cards	2,355	107	1,062	–	3,524
Mortgage loans	31,505	295	980	3,117	35,897
Other loans secured by collateral	30,561	659	7,820	5,561	44,601
Total individually insignificant loans	1,009,230	32,971	84,761	10,012	1,136,974
Loans to customers before allowance for ECL	1,775,966	37,134	85,586	10,833	1,909,519
Allowance for ECL	(19,955)	(10,762)	(55,043)	(3,625)	(89,385)
Loans to customers	1,756,011	26,372	30,543	7,208	1,820,134

Analysis of credit quality of loans to legal entities

The following table provides information on the credit quality of loans to legal entities at 31 December 2025:

	<i>31 December 2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to large corporate business (CB)					
Not overdue	862,248	8,105	–	–	870,353
Overdue 1-30 days	–	–	39	–	39
Overdue 91-180 days	–	–	118	–	118
Overdue more than 360 days	–	–	159	–	159
Expected credit losses	(2,129)	(247)	(79)	–	(2,455)
Total loans to CB	860,119	7,858	237	–	868,214

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality of loans to legal entities (continued)**

	<i>31 December 2025</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to small and medium businesses (SMB)					
Not overdue	736,799	34,948	10,435	772	782,954
Overdue 1-30 days	5,842	5,656	2,910	8	14,416
Overdue 31-90 days	-	3,566	4,497	61	8,124
Overdue 91-180 days	-	-	4,946	119	5,065
Overdue 181-360 days	-	-	5,207	106	5,313
Overdue more than 360 days	-	-	8,306	334	8,640
Expected credit losses	(3,928)	(970)	(8,731)	(762)	(14,391)
Total loans to SMB	738,713	43,200	27,570	638	810,121

Analysis of credit quality of loans to individuals

The following table provides information on the credit quality of loans to individuals as at 31 December 2025:

	<i>31 December 2025</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Consumer loans					
Not overdue	1,173,722	2,233	14,759	19,994	1,210,708
Overdue 1-30 days	19,142	8,092	2,302	1,093	30,629
Overdue 31-90 days	-	21,314	2,398	1,193	24,905
Overdue 91-180 days	-	-	17,640	5,500	23,140
Overdue 181-360 days	-	-	18,936	12,705	31,641
Overdue more than 360 days	-	-	62,592	25,297	87,889
Expected credit losses	(29,063)	(12,414)	(83,209)	(619)	(125,305)
Total consumer loans	1,163,801	19,225	35,418	65,163	1,283,607
Car loans					
Not overdue	525,340	201	1,101	21	526,663
Overdue 1-30 days	2,162	480	154	-	2,796
Overdue 31-90 days	-	1,233	146	-	1,379
Overdue 91-180 days	-	-	890	-	890
Overdue 181-360 days	-	-	740	-	740
Overdue more than 360 days	-	-	288	-	288
Expected credit losses	(1,083)	(203)	(1,123)	(10)	(2,419)
Total car loans	526,419	1,711	2,196	11	530,337
Credit cards					
Not overdue	73,680	92	201	1,110	75,083
Overdue 1-30 days	1,296	99	17	43	1,455
Overdue 31-90 days	-	924	111	52	1,087
Overdue 91-180 days	-	-	394	556	950
Overdue 181-360 days	-	-	103	934	1,037
Overdue more than 360 days	-	-	334	2,335	2,669
Expected credit losses	(786)	(315)	(475)	(30)	(1,606)
Total credit cards	74,190	800	685	5,000	80,675

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality of loans to individuals (continued)**

	<i>31 December 2025</i>				Total
	Stage 1	Stage 2	Stage 3	POCI	
Mortgage loans					
Not overdue	53,841	78	520	2,321	56,760
Overdue 1-30 days	291	118	185	271	865
Overdue 31-90 days	–	253	26	49	328
Overdue 91-180 days	–	–	95	94	189
Overdue 181-360 days	–	–	66	58	124
Overdue more than 360 days	–	–	1,092	870	1,962
Expected credit losses	(157)	(29)	(575)	(1,108)	(1,869)
Total mortgage loans	53,975	420	1,409	2,555	58,359
Other loans secured by collateral					
Not overdue	45,332	113	604	3,622	49,671
Overdue 1-30 days	383	134	381	520	1,418
Overdue 31-90 days	–	238	70	83	391
Overdue 91-180 days	–	–	190	177	367
Overdue 181-360 days	–	–	510	125	635
Overdue more than 360 days	–	–	6,128	2,035	8,163
Expected credit losses	(196)	(35)	(3,437)	(1,518)	(5,186)
Total other loans secured by collateral	45,519	450	4,446	5,044	55,459
Total loans to retail customers	1,863,904	22,606	44,154	77,773	2,008,437

Analysis of credit quality of loans to legal entities

The following table provides information on the credit quality of loans to legal entities as at 31 December 2024:

	<i>31 December 2024</i>				Total
	Stage 1	Stage 2	Stage 3	POCI	
Loans to large corporate business (CB)					
Not overdue	601,713	–	825	–	602,538
Expected credit losses	(2,886)	–	(486)	–	(3,372)
Total loans to CB	598,827	–	339	–	599,166
Loans to small and medium businesses (SMB)					
Not overdue	534,752	4,265	5,626	1,253	545,896
Overdue 1-30 days	2,568	5,309	44	261	8,182
Overdue 31-90 days	–	4,407	189	1	4,597
Overdue 91-180 days	–	13	1,198	155	1,366
Overdue 181-360 days	–	–	3,026	–	3,026
Overdue more than 360 days	–	–	4,064	433	4,497
Expected credit losses	(2,779)	(1,134)	(4,983)	(1,401)	(10,297)
Total loans to SMB	534,541	12,860	9,164	702	557,267

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality of loans to individuals**

The following table provides information on the credit quality of loans to individuals as at 31 December 2024:

	<i>31 December 2024</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Consumer loans					
Not overdue	404,161	1,526	7,715	32	413,434
Overdue 1-30 days	385	10,596	1,393	–	12,374
Overdue 31-90 days	–	9,275	1,183	4	10,462
Overdue 91-180 days	–	133	13,559	–	13,692
Overdue 181-360 days	–	–	22,762	–	22,762
Overdue more than 360 days	–	–	13,652	–	13,652
Expected credit losses	(12,750)	(9,420)	(43,859)	(11)	(66,040)
Total consumer loans	391,796	12,110	16,405	25	420,336
Car loans					
Not overdue	167,378	23	240	16	167,657
Overdue 1-30 days	588	249	12	–	849
Overdue 31-90 days	–	274	18	–	292
Overdue 91-180 days	–	3	167	–	170
Overdue 181-360 days	–	–	37	–	37
Overdue more than 360 days	–	–	14	–	14
Expected credit losses	(981)	(56)	(159)	(8)	(1,204)
Total car loans	166,985	493	329	8	167,815
Credit cards					
Not overdue	2,355	8	17	–	2,380
Overdue 1-30 days	–	68	2	–	70
Overdue 31-90 days	–	31	2	–	33
Overdue 91-180 days	–	–	48	–	48
Overdue 181-360 days	–	–	109	–	109
Overdue more than 360 days	–	–	884	–	884
Expected credit losses	(189)	(38)	(739)	–	(966)
Total credit cards	2,166	69	323	–	2,558

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality of loans to individuals (continued):**

	<i>31 December 2024</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
Mortgage loans					
Not overdue	31,181	21	278	2,532	34,012
Overdue 1-30 days	324	150	8	171	653
Overdue 31-90 days	–	124	3	73	200
Overdue 91-180 days	–	–	197	47	244
Overdue 181-360 days	–	–	63	28	91
Overdue more than 360 days	–	–	431	266	697
Expected credit losses	(146)	(30)	(380)	(891)	(1,447)
Total mortgage loans	31,359	265	600	2,226	34,450
Other loans secured by collateral					
Not overdue	30,223	31	509	4,549	35,312
Overdue 1-30 days	338	379	83	214	1,014
Overdue 31-90 days	–	249	75	139	463
Overdue 91-180 days	–	–	327	160	487
Overdue 181-360 days	–	–	377	56	433
Overdue more than 360 days	–	–	6,449	443	6,892
Expected credit losses	(224)	(84)	(4,437)	(1,314)	(6,059)
Total other loans secured by collateral	30,337	575	3,383	4,247	38,542
Total loans to retail customers	622,643	13,512	21,040	6,506	663,701

Analysis of credit quality for corporate customers

The table below provides the credit quality analysis for corporate customers according to internal ratings as at 31 December 2025 and 31 December 2024:

	<i>31 December 2025</i>				
	Stage 1	Stage 2	Stage 3	POCI	Total
rated AA-	29,519	–	–	–	29,519
rated A+	1,303	–	–	–	1,303
rated A	20,271	–	–	–	20,271
rated A-	107,573	–	–	–	107,573
rated BBB+	144,804	–	–	–	144,804
rated BBB	88,013	–	–	–	88,013
rated BBB-	23,426	–	–	–	23,426
rated BB+	79,658	–	–	–	79,658
rated BB	227,628	631	–	–	228,259
rated BB-	132,881	–	–	–	132,881
rated B-	4,222	–	–	–	4,222
rated CCC	2,950	2,462	–	–	5,412
rated CCC+	–	5,012	–	–	5,012
Default	–	–	316	–	316
Expected credit losses	(2,129)	(247)	(79)	–	(2,455)
Total	860,119	7,858	237	–	868,214

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality for corporate customers (continued)**

	<i>31 December 2024</i>				Total
	Stage 1	Stage 2	Stage 3	POCI	
rated AA-	14,181	–	–	–	14,181
rated A+	3,269	–	–	–	3,269
rated A	69,655	–	–	–	69,655
rated A-	26,681	–	–	–	26,681
rated BBB+	21,944	–	–	–	21,944
rated BBB	19,549	–	–	–	19,549
rated BBB-	79,221	–	–	–	79,221
rated BB+	72,248	–	–	–	72,248
rated BB	146,767	–	–	–	146,767
rated BB-	141,537	–	–	–	141,537
rated B+	1,701	–	–	–	1,701
rated B	4,960	–	–	–	4,960
Default	–	–	825	–	825
Expected credit losses	(2,886)	–	(486)	–	(3,372)
Total	598,827	–	339	–	599,166

Analysis of movements in gross carrying amount and allowance for ECL

Analysis of movements in gross carrying amount and related ECL for loans to legal entities of corporate business for 2025 is as follows:

	<i>2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to CB					
Gross carrying amount at 1 January	601,713	–	825	–	602,538
New assets originated or purchased	1,160,128	–	–	–	1,160,128
Assets derecognised or repaid (excluding write-offs)	(874,428)	–	(3,222)	–	(877,650)
Transfers to Stage 2	(8,105)	8,105	–	–	–
Transfers to Stage 3	(316)	–	316	–	–
Unwinding of discount	–	–	42	–	42
Reversal of previously written-off amounts	–	–	2,365	–	2,365
Foreign exchange adjustments	(16,744)	–	(10)	–	(16,754)
At 31 December	862,248	8,105	316	–	870,669

	<i>2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Loans to CB					
ECL at 1 January	(2,886)	–	(486)	–	(3,372)
New assets originated or purchased	(1,831)	–	–	–	(1,831)
Assets derecognised or repaid (excluding write-offs)	2,291	–	2,579	–	4,870
Transfers to Stage 2	179	(179)	–	–	–
Transfers to Stage 3	30	–	(30)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	54	(68)	263	–	249
Unwinding of discount	–	–	(42)	–	(42)
Reversal of previously written-off amounts	–	–	(2,365)	–	(2,365)
Foreign exchange adjustments	34	–	2	–	36
At 31 December	(2,129)	(247)	(79)	–	(2,455)

*(millions of tenge)***15. Loans to customers (continued)****Analysis of credit quality for corporate customers (continued)**

Analysis of movements in gross carrying amount and related ECL for loans to legal entities of small and medium businesses for 2025 is as follows:

	2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to SMB					
Gross carrying amount at 1 January	537,320	13,994	14,147	2,103	567,564
New assets originated or purchased	1,263,689	–	–	35	1,263,724
Assets derecognised or repaid (excluding write-offs)	(994,857)	(6,276)	(10,212)	(1,181)	(1,012,526)
Transfers to Stage 1	3,997	(3,361)	(636)	–	–
Transfers to Stage 2	(42,831)	43,086	(255)	–	–
Transfers to Stage 3	(24,615)	(3,125)	27,740	–	–
Unwinding of discount	–	–	1,269	–	1,269
Reversal of previously written-off amounts	–	–	4,263	446	4,709
Foreign exchange adjustments	(62)	(148)	(15)	(3)	(228)
At 31 December	742,641	44,170	36,301	1,400	824,512

	2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to SMB					
ECL at 1 January	(2,779)	(1,134)	(4,983)	(1,401)	(10,297)
New assets originated or purchased	(3,688)	–	–	–	(3,688)
Assets derecognised or repaid (excluding write-offs)	1,715	590	5,214	912	8,431
Transfers to Stage 1	(331)	142	189	–	–
Transfers to Stage 2	364	(441)	77	–	–
Transfers to Stage 3	519	307	(826)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	272	(436)	(2,873)	171	(2,866)
Unwinding of discount	–	–	(1,269)	–	(1,269)
Reversal of previously written-off amounts	–	–	(4,263)	(446)	(4,709)
Foreign exchange adjustments	–	2	3	2	7
At 31 December	(3,928)	(970)	(8,731)	(762)	(14,391)

	2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Gross carrying amount at 1 January	636,933	23,140	70,614	8,730	739,417
New assets originated or purchased	949,606	–	–	8,731	958,337
Acquisition of subsidiaries	862,544	–	–	72,982	935,526
Assets derecognised or repaid (excluding write-offs)	(470,009)	(3,391)	(8,563)	(17,270)	(499,233)
Transfers to Stage 1	5,764	(3,194)	(2,570)	–	–
Transfers to Stage 2	(32,366)	33,533	(1,167)	–	–
Transfers to Stage 3	(57,282)	(14,486)	71,768	–	–
Unwinding of discount	–	–	20,530	5,307	25,837
(Write-off)/Reversal of previously written-off amounts	–	–	(17,610)	2,578	(15,032)
Foreign exchange adjustments	(1)	–	(29)	–	(30)
At 31 December	1,895,189	35,602	132,973	81,058	2,144,822

*(millions of tenge)***15. Loans to customers (continued)***Analysis of movements in gross carrying amount and allowance for ECL (continued)*

Analysis of movements in gross carrying amount and related ECL for loans to individuals for 2025 is as follows:

<i>Loans to retail customers</i>	<i>2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL at 1 January	(14,290)	(9,628)	(49,574)	(2,224)	(75,716)
Acquisition of subsidiaries	(29,438)	–	–	–	(29,438)
New assets originated or purchased	(9,310)	–	–	–	(9,310)
Assets derecognised or repaid (excluding write-offs)	6,595	1,303	7,401	5,045	20,344
Transfers to Stage 1	(2,700)	963	1,737	–	–
Transfers to Stage 2	5,370	(6,150)	780	–	–
Transfers to Stage 3	7,167	6,722	(13,889)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	5,321	(6,206)	(32,359)	167	(33,077)
Unwinding of discount	–	–	(20,530)	(3,709)	(24,239)
Write-off/(Reversal of previously written-off amounts)	–	–	17,610	(2,564)	15,046
Foreign exchange adjustments	–	–	5	–	5
At 31 December	(31,285)	(12,996)	(88,819)	(3,285)	(136,385)

In 2025 the Group purchased 100% shares of Home Credit Bank JSC. This results in recognition of new instruments from the date of acquisition. However, the related financial statement disclosures reflect the historic gross value of the purchased loan contracts, prior to their acquisition by the Group, together with a related allowance for expected credit losses. The additional gross disclosure of the historic loan amount does not affect the carrying amount of the newly recognised loans in the consolidated statement of financial position.

Analysis of movements in gross carrying amount and related ECL for loans to legal entities of corporate business for 2024 is as follows:

<i>Loans to CB</i>	<i>2024</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Gross carrying amount at 1 January	424,905	437	5,304	82	430,728
New assets originated or purchased	755,368	–	–	–	755,368
Assets derecognised or repaid (excluding write-offs)	(625,227)	(437)	(5,727)	(82)	(631,473)
Unwinding of discount	–	–	15	–	15
Reversal of previously written-off amounts	–	–	1,233	–	1,233
Foreign exchange adjustments	46,667	–	–	–	46,667
At 31 December	601,713	–	825	–	602,538

<i>Loans to CB</i>	<i>2024</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
ECL at 1 January	(2,737)	(17)	–	–	(2,754)
New assets originated or purchased	(2,508)	–	–	–	(2,508)
Assets derecognised or repaid (excluding write-offs)	2,600	17	1,248	–	3,865
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	(35)	–	(486)	–	(521)
Unwinding of discount	–	–	(15)	–	(15)
Reversal of previously written-off amounts	–	–	(1,233)	–	(1,233)
Foreign exchange adjustments	(206)	–	–	–	(206)
At 31 December	(2,886)	–	(486)	–	(3,372)

*(millions of tenge)***15. Loans to customers (continued)***Analysis of movements in gross carrying amount and allowance for ECL (continued)*

Analysis of movements in gross carrying amount and related ECL for loans to legal entities of small and medium businesses for 2024 is as follows:

	2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to SMB					
Gross carrying amount at 1 January	425,777	5,582	14,313	3,367	449,039
New assets originated or purchased	890,790	–	–	790	891,580
Assets derecognised or repaid (excluding write-offs)	(760,218)	(2,637)	(6,818)	(1,464)	(771,137)
Transfers to Stage 1	2,695	(2,040)	(655)	–	–
Transfers to Stage 2	(13,591)	13,662	(71)	–	–
Transfers to Stage 3	(8,272)	(646)	8,918	–	–
Unwinding of discount	–	–	1,121	–	1,121
Write-off	–	–	(2,661)	(603)	(3,264)
Foreign exchange adjustments	139	73	–	13	225
At 31 December	537,320	13,994	14,147	2,103	567,564

	2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to SMB					
ECL at 1 January	(3,895)	(443)	(9,002)	(1,281)	(14,621)
New assets originated or purchased	(3,237)	–	–	–	(3,237)
Assets derecognised or repaid (excluding write-offs)	2,137	160	3,757	979	7,033
Transfers to Stage 1	(390)	41	349	–	–
Transfers to Stage 2	389	(422)	33	–	–
Transfers to Stage 3	122	149	(271)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	2,095	(619)	(1,389)	(1,690)	(1,603)
Unwinding of discount	–	–	(1,121)	–	(1,121)
Write-off	–	–	2,661	603	3,264
Foreign exchange adjustments	–	–	–	(12)	(12)
At 31 December	(2,779)	(1,134)	(4,983)	(1,401)	(10,297)

	2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
Gross carrying amount at 1 January	495,594	18,255	55,996	18,151	587,996
New assets originated or purchased	508,248	–	–	4,393	512,641
Assets derecognised or repaid (excluding write-offs)	(308,586)	(2,847)	(5,561)	(3,493)	(320,487)
Transfers to Stage 1	3,916	(2,043)	(1,873)	–	–
Transfers to Stage 2	(21,014)	22,043	(1,029)	–	–
Transfers to Stage 3	(41,229)	(12,268)	53,497	–	–
Unwinding of discount	–	–	10,938	–	10,938
Write-off	–	–	(41,429)	(10,321)	(51,750)
Foreign exchange adjustments	4	–	75	–	79
At 31 December	636,933	23,140	70,614	8,730	739,417

*(millions of tenge)***15. Loans to customers (continued)***Analysis of movements in gross carrying amount and allowance for ECL (continued)*

Analysis of movements in gross carrying amount and related ECL for loans to individuals for 2024 is as follows:

	2024				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to retail customers					
ECL at 1 January	(13,567)	(8,492)	(42,432)	(8,397)	(72,888)
New assets originated or purchased	(9,458)	–	–	–	(9,458)
Assets derecognised or repaid (excluding write-offs)	6,579	979	5,557	2,664	15,779
Transfers to Stage 1	(2,027)	675	1,352	–	–
Transfers to Stage 2	732	(1,441)	709	–	–
Transfers to Stage 3	1,417	6,048	(7,465)	–	–
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	2,034	(7,397)	(37,725)	(6,812)	(49,900)
Unwinding of discount	–	–	(10,938)	–	(10,938)
Write-off	–	–	41,429	10,321	51,750
Foreign exchange adjustments	–	–	(61)	–	(61)
At 31 December	(14,290)	(9,628)	(49,574)	(2,224)	(75,716)

*(millions of tenge)***15. Loans to customers (continued)***Analysis of movements in gross carrying amount and allowance for ECL (continued)*

The table below provides an analysis of movements for ECL for loans issued in 2025 and 2024:

	<i>CB</i>	<i>SMB</i>	<i>Consumer loans and credit cards</i>	<i>Car loans</i>	<i>Mortgage loans</i>	<i>Other loans secured by collateral</i>	<i>Total loans to customers</i>
<i>At 1 January 2024</i>	(2,754)	(14,621)	(54,643)	(455)	(3,765)	(14,025)	(90,263)
New assets originated or purchased	(2,508)	(3,237)	(8,047)	(963)	(213)	(235)	(15,203)
Assets derecognised or repaid (excluding write-offs)	3,865	7,033	9,559	229	1,439	4,552	26,677
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	(521)	(1,603)	(41,759)	(64)	(4,266)	(3,811)	(52,024)
Unwinding of discount	(15)	(1,121)	(10,652)	(12)	(95)	(179)	(12,074)
Write-off/(Reversal of previously written-off amounts)	(1,233)	3,264	38,578	61	5,453	7,658	53,781
Foreign exchange adjustments	(206)	(12)	(42)	–	–	(19)	(279)
<i>At 31 December 2024</i>	(3,372)	(10,297)	(67,006)	(1,204)	(1,447)	(6,059)	(89,385)
New assets originated or purchased	(1,831)	(3,688)	(6,892)	(865)	(621)	(932)	(14,829)
Acquisition of subsidiaries	–	–	(29,438)	–	–	–	(29,438)
Assets derecognised or repaid (excluding write-offs)	4,870	8,431	13,953	416	1,586	4,389	33,645
Impact on period end ECL of exposures transferred between stages and changes to inputs used for measuring ECL during the period	249	(2,866)	(32,926)	(674)	(3,864)	4,387	(35,694)
Unwinding of discount	(42)	(1,269)	(23,202)	(85)	(99)	(853)	(25,550)
Write-off/(Reversal of previously written-off amounts)	(2,365)	(4,709)	18,600	(7)	2,576	(6,123)	7,972
Foreign exchange adjustments	36	7	–	–	–	5	48
<i>At 31 December 2025</i>	(2,455)	(14,391)	(126,911)	(2,419)	(1,869)	(5,186)	(153,231)

(millions of tenge)

15. Loans to customers (continued)

Key assumptions and judgements used in estimation of expected credit losses

In determining the allowance for expected credit losses, the Group made the following assumptions:

- Applying a liquidity ratio varying from 0 to 0.95 to the revalued value of pledged property depending on the type of collateral.
- The average period of collateral sale is between three (3) and six (6) years depending on the type of collateral according to the Group's historical data.
- Where evidence of a significant increase in credit risk or impairment/default exists for individual assets since the date of initial recognition, the Group estimates the expected credit losses for each customer/group based on probability-weighted estimates of credit losses for various scenarios taking into account operating cash flows and/or cash flows from the sale of collateral.

In determining the allowance for ECL on loans to corporate customers, assessed on an individual basis the Group made the following assumptions:

- PD on loans allocated to Stage 1 ranged from 0.01% to 8.22% depending on the borrower's internal rating according to the rating model (31 December 2024: from 0.04% to 10.44%).
- LGD on loans allocated to Stage 1 ranged from 2% to 19% (31 December 2024: from 9% to 31%).

The Group estimates the allowance for ECL on loans to SMB customers based on its past historical loss experience on these types of loans.

The significant assumptions used by the Group in determining the allowance for ECL on loans to small and medium business, assessed on a collective basis, include:

- The approach used to estimate the probability of default is based on the number of days past due, taking into account the effects of macroeconomic information; the weighted-average 12-month PD by product group allocated to Stage 1 ranged from 0.01% to 24.91% (31 December 2024: from 0.01% to 24.35%), the weighted-average lifetime PD allocated to Stage 2 ranged from 0.01% to 94.05% (31 December 2024: from 0.01% to 91.01%) depending on the product group of the homogeneous portfolio.
- LGD on loans allocated to Stages 1 and 2 varied from 6% to 37% (31 December 2024: from 5% to 36%).

The Group estimates the allowance for ECL on loans to retail customers based on its past historical loss experience on each type of loan.

The significant assumptions used by the Group in determining the allowance for ECL on loans to retail customers include:

- The approach used to estimate the probability of default is based on the number of days past due, taking into account the effects of macroeconomic information; the weighted-average 12-month PD by product group allocated to Stage 1 ranged from 0.01% to 29.16% (31 December 2024: from 0.01% to 28.75%), the weighted-average lifetime PD allocated to Stage 2 ranged from 0.01% to 94.49% (31 December 2024: 0.01% to 98.74%) depending on the product group of the homogeneous retail portfolio.
- LGD on loans allocated to Stages 1 and 2 varied from 18% to 79% (31 December 2024: from 20% to 80%).

The significant assumptions applied by the Group in determining the allowance for ECL for unsecured consumer retail loans acquired as part of the acquisition of a subsidiary Home Credit Bank JSC, include:

- the migration rate reflects the current portfolio structure and the macroeconomic environment in Kazakhstan and may be determined based on a migration model derived from actual losses incurred over the past 12 months.
- unsecured loans that borrowers are unable to fully repay and that reach 180 days past due may be partially recovered, with an estimated recovery of 37.8% of the outstanding loan balance at the time the loan becomes 180 days past due.

Collateral and other credit enhancements

Individually significant corporate loans are subject to assessment and impairment testing on an individual basis. The creditworthiness of a corporate customer is generally the main indicator of the issued credit quality. However, collateral represents additional guarantees, and the Group generally asks corporate borrowers for its provision.

Guarantees and suretyship from individuals such as shareholders of borrowers represented by small and medium-sized businesses are not taken into account in assessing the impairment.

*(millions of tenge)***15. Loans to customers (continued)****Collateral and other credit enhancements (continued)**

For certain mortgage loans and other loans to individuals, the Group updates the estimated value of collateral at inception of the loan to its current value using automatic revaluation based on analytical price bases based on current information on the real estate market. The Group may also carry out a specific individual valuation of collateral at each reporting date.

The amount and type of collateral required by the Group 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 received are as follows:

- For loans issued to legal entities and individuals for business purposes — movable property (motor vehicles, special machinery, equipment, inventory, railcars and others) and immovable property (residential and commercial real estate, land plots), cash and guarantees;
- For loans issued to individuals for consumer purposes — movable property (motor vehicles) and immovable property (residential and commercial real estate).

As at 31 December 2025 Stage 3 and POCI loans to customers net of allowance for ECL amount to 150,372 million tenge (31 December 2024: 37,751 million tenge). As at 31 December 2025 the total fair value of collateral securing such loans, limited to the gross value of the respective loans, amounted to 49,505 million tenge (31 December 2024: 32,937 million tenge).

Concentration of loans to customers

As at 31 December 2025 the Group had a concentration of loans represented by 643,744 million tenge due from the ten largest groups of interrelated borrowers or 16.8% of gross loan portfolio (31 December 2024: 488,225 million tenge or 25.57% of gross loan portfolio). Allowance for ECL on these loans is 1,616 million tenge (31 December 2024: 2,238 million tenge).

Industry and geographical analysis of loans

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

	<i>31 December 2025</i>	<i>31 December 2024</i>
Loans to retail customers	2,144,822	739,417
Metallurgy	244,061	253,114
Services provided by small and medium businesses	214,340	135,905
Financial services	210,854	75,621
Wholesale trading	202,465	130,315
Construction	145,420	75,804
Retail services	130,470	88,717
Transport	105,421	99,076
Real estate activities	90,622	54,521
Chemical industry	72,338	69,545
Food industry	68,902	42,572
Post and communication services	35,308	17,179
Agriculture	22,683	21,926
Manufacturing	14,933	11,741
Metal products manufacturing	13,724	6,254
Light industry	13,708	11,543
Consumer goods trading	3,234	2,667
Power engineering	1,792	638
Health, science and education	1,700	222
Production of crude oil and natural gas	896	2,514
Consumer goods manufacturing	764	799
Other	101,546	69,429
	3,840,003	1,909,519
Allowance for ECL	(153,231)	(89,385)
	3,686,772	1,820,134

*(millions of tenge)***15. Loans to customers (continued)****Industry and geographical analysis of loans (continued)**

As at 31 December 2025 and 31 December 2024 loans to customers include finance lease receivables of 42,590 million tenge and 28,083 million tenge, respectively.

	<i>31 December 2025</i>	<i>31 December 2024</i>
Minimum lease payments receivable	60,209	35,742
Unearned finance income	(17,335)	(7,509)
Net minimum lease payments receivable	42,874	28,233
Less: allowance for ECL	(284)	(150)
Net investment in finance leases	42,590	28,083
Current portion of minimum lease payments	30,663	21,331
Current portion of unearned finance income	(9,979)	(5,062)
Current portion of net minimum lease payments receivable	20,684	16,269
Non-current portion of minimum lease payments	29,546	14,411
Non-current portion of unearned finance income	(7,356)	(2,447)
Non-current portion of net minimum lease payments receivable	22,190	11,964
Net minimum lease payments receivable	42,874	28,233

Finance lease receivables

The analysis of finance lease receivables at 31 December 2025 and 31 December 2024, is as follows:

<i>As at 31 December 2025</i>	<i>Up to 1 year</i>	<i>1 to 2 years</i>	<i>2 to 3 years</i>	<i>3 to 4 years</i>	<i>5 to 6 years</i>	<i>Total</i>
Minimum lease payments receivable	30,663	18,856	8,816	1,587	287	60,209
Unearned finance income	(9,979)	(5,054)	(1,710)	(431)	(161)	(17,335)
Net minimum lease payments receivable	20,684	13,802	7,106	1,156	126	42,874
<i>At 31 December 2024</i>	<i>Up to 1 year</i>	<i>1 to 2 years</i>	<i>2 to 3 years</i>	<i>3 to 4 years</i>	<i>5 to 6 years</i>	<i>Total</i>
Minimum lease payments receivable	21,331	10,112	3,774	387	138	35,742
Unearned finance income	(5,062)	(1,896)	(477)	(62)	(12)	(7,509)
Net minimum lease payments receivable	16,269	8,216	3,297	325	126	28,233

The table below provides information on the quality of finance lease receivables as at 31 December 2025 and 31 December 2024:

	<i>31 December 2025</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Finance lease receivables					
Not overdue	38,334	126	208	–	38,668
Overdue 1-30 days	3,813	–	182	–	3,995
Overdue 31-90 days	–	–	–	–	–
Overdue 91-180 days	–	–	–	–	–
Overdue 181-360 days	–	–	21	–	21
Overdue more than 360 days	–	–	190	–	190
Net minimum lease payments receivable	42,147	126	601	–	42,874
Expected credit losses	(141)	(1)	(142)	–	(284)
Net investment in finance leases	42,006	125	459	–	42,590

*(millions of tenge)***15. Loans to customers (continued)****Finance lease receivables (continued)**

	<i>31 December 2024</i>				
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>POCI</i>	<i>Total</i>
Finance lease receivables					
Not overdue	26,753	479	138	–	27,370
Overdue 1-30 days	159	486	7	–	652
Overdue 31-90 days	–	–	19	–	19
Overdue 91-180 days	–	–	185	–	185
Overdue 181-360 days	–	–	7	–	7
Net minimum lease payments receivable	26,912	965	356	–	28,233
Expected credit losses	(69)	(7)	(74)	–	(150)
Net investment in finance leases	26,843	958	282	–	28,083

16. Investment securities

Investment securities, including those pledged under repurchase agreements, comprise:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Debt securities measured at amortised cost		
Government bonds		
Treasury bills of the Ministry of Finance of the Republic of Kazakhstan rated BBB-	15,688	33,275
Bonds of foreign countries rated from BBB- to BBB+	1,014	1,054
Total government bonds	16,702	34,329
Corporate bonds		
Rated from BBB- to BBB+	23,353	15,737
Rated from BB- to BB+	–	8,485
Total corporate bonds	23,353	24,222
Investment securities measured at amortised cost before allowance for ECL	40,055	58,551
Allowance for ECL	(57)	(122)
Investment securities measured at amortised cost	39,998	58,429

*(millions of tenge)***16. Investment securities (continued)**

	<i>31 December 2025</i>	<i>31 December 2024</i>
Debt securities measured at FVOCI		
Government bonds		
Treasury bills of the United States of America rated AA+	125,523	14,952
Treasury bonds of the Ministry of Finance of the Republic of Kazakhstan rated BBB-	674,252	949,620
Total government bonds	799,775	964,572
Corporate bonds		
Rated from BBB- to BBB+	121,259	39,399
Rated from BB- to BB+	478	26,791
Not rated	414	882
Total corporate bonds	122,151	67,072
Bonds of banks		
Rated from AA- to AA+	11,920	–
Rated from BBB- to BBB+	10,559	11,849
Rated from BB- to BB+	165	7,928
Not rated	199	4,093
Total bonds of banks	22,843	23,870
Investments in equity instruments		
Corporate shares	175	369
Total investments in equity instruments	175	369
Investment securities measured at FVOCI	944,944	1,055,883

The following table provides information on the credit quality of investment securities measured at amortised cost, and debt instruments measured at fair value through other comprehensive income as at 31 December 2025 and 31 December 2024.

	31 December 2025			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
Debt securities measured at amortised cost				
Rated from BBB- to BBB+	39,041	1,014	–	40,055
	39,041	1,014	–	40,055
Allowance for ECL	(56)	(1)	–	(57)
Investment securities measured at amortised cost	38,985	1,013	–	39,998
31 December 2024				
Debt securities measured at amortised cost				
Rated from BBB- to BBB+	49,012	1,054	–	50,066
Rated from BB- to BB+	8,485	–	–	8,485
	57,497	1,054	–	58,551
Allowance for ECL	(116)	(6)	–	(122)
Investment securities measured at amortised cost	57,381	1,048	–	58,429
31 December 2025				
Investment securities measured at FVOCI				
Rated from AA- to AA+	137,443	–	–	137,443
Rated from BBB- to BBB+	806,070	–	–	806,070
Rated from BB- to BB+	643	–	–	643
Not rated	613	–	–	613
Investment securities measured at FVOCI	944,769	–	–	944,769

*(millions of tenge)***16. Investment securities (continued)**

Investment securities measured at FVOCI	31 December 2024			<i>Total</i>
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	
Rated from AA- to AA+	14,952	–	–	14,952
Rated from BBB- to BBB+	1,000,868	–	–	1,000,868
Rated from BB- to BB+	14,696	20,023	–	34,719
Not rated	1,095	3,880	–	4,975
Investment securities measured at FVOCI	1,031,611	23,903	–	1,055,514

The credit ratings are presented by reference to the credit ratings of Standard&Poor's credit rating agency or analogues of similar international agencies.

As at 31 December 2025 investment securities measured at FVOCI, represented by treasury bonds of the Ministry of Finance of the Republic of Kazakhstan, and Treasury Bills of the United States of America, with a fair value of 66,546 million tenge, were pledged under the repurchase agreements entered into at the KASE (*Note 28*).

As at 31 December 2024 investment securities measured at FVOCI, represented by treasury bonds of the Ministry of Finance of the Republic of Kazakhstan, with a fair value of 436,666 million tenge, were pledged under the repurchase agreements entered into at the KASE (*Note 28*).

*(millions of tenge)***17. Property and equipment**

The movements in property and equipment were as follows:

	<i>Land</i>	<i>Buildings</i>	<i>Computers</i>	<i>Vehicles</i>	<i>Construction in progress and assets to be installed</i>	<i>Other</i>	<i>Right-of-use assets</i>	<i>Total</i>
Cost								
At 1 January 2024	2,642	44,420	7,522	1,088	110	31,808	3,051	90,641
Additions	–	253	556	55	698	976	1,881	4,419
Transfers	–	–	8	–	(93)	85	–	–
Disposals	–	(132)	(372)	(112)	–	(1,288)	(1,942)	(3,846)
At 31 December 2024	2,642	44,541	7,714	1,031	715	31,581	2,990	91,214
Additions from acquisition of subsidiaries	27	120	1,659	169	–	7,465	12,664	22,104
Additions	176	8,629	457	317	3,201	2,712	1,781	17,273
Transfers	–	–	38	–	(425)	387	–	–
Disposals	–	(64)	(161)	(48)	(21)	(1,233)	(1,301)	(2,828)
At 31 December 2025	2,845	53,226	9,707	1,469	3,470	40,912	16,134	127,763
Accumulated depreciation								
At 1 January 2024	–	(7,246)	(4,323)	(500)	–	(20,383)	(1,524)	(33,976)
Depreciation charge for the year	–	(1,083)	(897)	(145)	–	(2,934)	(758)	(5,817)
Disposals	–	56	371	109	–	1,255	1,020	2,811
At 31 December 2024	–	(8,273)	(4,849)	(536)	–	(22,062)	(1,262)	(36,982)
Depreciation charge for the year	–	(1,145)	(935)	(182)	–	(2,798)	(1,024)	(6,084)
Disposals	–	13	165	35	–	1,188	639	2,040
At 31 December 2025	–	(9,405)	(5,619)	(683)	–	(23,672)	(1,647)	(41,026)
Carrying amounts								
At 1 January 2024	2,642	37,174	3,199	588	110	11,425	1,527	56,665
At 31 December 2024	2,642	36,268	2,865	495	715	9,519	1,728	54,232
At 31 December 2025	2,845	43,821	4,088	786	3,470	17,240	14,487	86,737

As at 31 December 2025 the cost and related accumulated depreciation of fully depreciated property and equipment amounted to 21,277 million tenge (31 December 2024: 11,607 million tenge).

*(millions of tenge)***18. Other assets and liabilities**

Other assets comprise:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Accounts receivable for sale of pledged property	10,992	6,343
Receivables from documentary settlements	1,220	–
Receivable on derivatives	1,025	–
Accounts receivable on commission income	964	1,364
Receivables under government programmes for support of specific population segments	532	911
Accounts receivable from partners	442	–
Receivables from payment systems services	200	–
Other accounts receivable from banking activities	4,189	1,395
	19,564	10,013
Allowance for ECL	(1,543)	(2,162)
Other financial assets	18,021	7,851
Prepayments and other accounts receivable	6,954	3,357
Reposessed collateral	8,438	16,049
Taxes prepaid other than corporate income tax	7,546	3,081
Prepaid expenses related to licences and subscriptions purchased for one-year term	3,405	1,026
Other inventories	2,672	577
Current corporate income tax asset	2,577	–
Prepaid expenses related to loans issued to the employees at below market interest rates	1,848	1,240
Advances for the purchase of finance lease assets	1,615	2,937
Investment property	1,061	1,652
Inventories held for sale	671	685
Other	73	180
	36,860	30,784
Impairment allowance	(888)	(967)
Other non-financial assets	35,972	29,817
Total other assets	53,993	37,668
The Group reposessed collateral with an estimated value of 2,013 million tenge during 2025 (2024: 1,693 million tenge). Even though the Group is currently actively trying to sell these assets, most of them were not sold within a short period of time. Management still intends to sell the reposessed collateral.		
Other liabilities comprise:		
	<i>31 December 2025</i>	<i>31 December 2024</i>
Leases liabilities	16,178	1,831
Payables on payment system services	9,736	2,907
Payables on non-banking activities	5,845	2,527
Allowance for ECL for credit related commitments (<i>Note 31</i>)	3,038	1,645
Obligations to pay mandatory contributions to the KDIF	2,720	219
Capital expenditure creditors	42	–
Other	11,083	5,377
Other financial liabilities	48,642	14,506
Deferred income from government economic support programmes	8,460	17,112
Accrued expenses for employee benefits	8,210	8,860
Taxes payable other than corporate income tax	7,547	2,930
Income tax payable	–	513
Other	1,229	1,020
Other non- financial liabilities	25,446	30,435
Total other liabilities	74,088	44,941

*(millions of tenge)***18. Other assets and liabilities (continued)**

The following table provides information on the credit quality of other financial assets as at 31 December 2025:

Other financial assets	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
Not overdue	9,003	–	–	9,003
Overdue less than 30 days	6,370	–	–	6,370
Overdue 30-90 days	–	821	–	821
Overdue more than 90 days	–	–	3,370	3,370
Total	15,373	821	3,370	19,564
Allowance for ECL	(97)	(277)	(1,169)	(1,543)
Other financial assets	15,276	544	2,201	18,021

The following table provides information on the credit quality of other financial assets as at 31 December 2024:

Other financial assets	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Not overdue	5,402	–	–	5,402
Overdue less than 30 days	1,701	–	–	1,701
Overdue 30-90 days	–	572	–	542
Overdue more than 90 days	–	–	2,338	2,338
Total	7,103	572	2,338	10,013
Allowance for ECL	(11)	(93)	(2,058)	(2,162)
Other financial assets	7,092	479	280	7,851

19. Current accounts and deposits from customers

Current accounts and deposits from customers comprise:

	31 December 2025	31 December 2024
Current accounts and demand deposits		
- Retail customers	208,674	164,005
- Corporate customers	629,223	589,198
Term deposits		
- Retail customers	1,602,870	823,759
- Corporate customers	1,672,064	1,166,658
Guarantee deposits		
- Retail customers	49,044	36,095
- Corporate customers	130,853	88,240
	4,292,728	2,867,955
Held as security against letters of credit and guarantees (Note 31)	(14,482)	(257)

Concentration of current accounts and deposits from customers

As at 31 December 2025 total amount of account balances of top 10 clients amounted to 454,628 million tenge or 10.59% of total current accounts and deposits from customers (31 December 2024: 442,635 million tenge or 15.43%).

As at 31 December 2025 the Group's outstanding balance of accounts and deposits from individuals and individual entrepreneurs amounted to 524,911 million tenge (31 December 2024: 414,837 million tenge) with limited KDIF insurance coverage on behalf of the Government of the Republic of Kazakhstan.

In accordance with the Civil Code of the Republic of Kazakhstan the Bank is legally obliged to repay the deposit upon demand of a depositor. In case a term deposit is repaid upon demand of the depositor prior to maturity, interest is not paid or paid at considerably lower interest rate, depending on the terms specified in the agreement. The Bank is obligated to repay term and/or conditional deposits or a part thereof within seven calendar days from the date of receipt of the depositor's demand on repayment and saving deposits – within thirty calendar days from the date of the depositor's demand.

*(millions of tenge)***20. Deposit certificates**

Deposit certificates comprise:

	<i>Coupon rate</i>	<i>31 December 2025</i>	<i>31 December 2024</i>
Deposit certificate	19.00%	18,696	–
Deposit certificate	17.00%	16,420	–
Deposit certificate	17.50%	13,365	–
Deposit certificate	18.25%	11,270	–
Deposit certificate	18.00%	10,608	–
Deposit certificate	17.75%	6,949	–
Deposit certificate	17.25%	6,858	–
Deposit certificate	18.50%	6,676	–
Deposit certificate	18.75%	6,623	–
Deposit certificate	16.00%	2,928	–
Deposit certificate	19.50%	2,206	–
Deposit certificate	19.25%	1,686	–
Deposit certificate	16.50%	973	–
Deposit certificate	17.90%	863	–
		106,122	–

As at 31 December 2025 the Group issued unsecured deposit certificates to individuals for a 1-year, 2-year, 3-year and 5-year term, for a total nominal value of 106,122 million tenge; deposit certificates bear fixed interest rates of 16%-19.50% p.a. at maturity.

21. Amounts due to banks and other credit institutions

Amounts due to banks and other credit institutions comprise:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Loans from other financial institutions	197,742	–
Loans and deposits from governmental organisations	123,867	68,946
Liabilities due to Kazakhstan Sustainability Fund JSC	9,461	8,715
Other	742	–
	331,812	77,661

In May 2025 the Group raised a syndicated loan worth 200 million US dollars from the group of international financial institutions, bearing a floating rate and maturing in 2026. As at 31 December 2025 the amortised cost of the loan raised was 101,121 million tenge.

In August 2025 the Group raised a syndicated loan worth 750 million Chinese yuans from the group of international financial institutions, bearing a fixed rate and maturing in 2028. As at 31 December 2025 the amortised cost of the loan raised was 53,356 million tenge.

As at 31 December 2025 loans from governmental organisations included loans received from Damu Entrepreneurship Development Fund JSC (“Damu”), Development Bank of Kazakhstan JSC (“DBK”), Industrial Development Fund JSC (“IDF”), Agrarian Credit Corporation JSC (“ACC”), and Export Credit Agency of Kazakhstan JSC (“ECAK”) in the amount of 85,149 million tenge, 7,465 million tenge, 7,700 million tenge, 9,170 million tenge, and 14,374 million tenge, respectively (31 December 2024: Damu, DBK and IDF in the amount of 47,964 million tenge, 11,56 million tenge and 9,809 million tenge, respectively), within the framework of the state programme to support private businesses by the banking sector, as well as the state programme of concessional lending to individuals to purchase passenger vehicles of a domestic manufacturer, and for further funding to agro-industrial complex entities and agricultural production cooperatives, and pre-export financing to organizations under the exporters’ support programme.

The loan received from IDF in May 2022, with maturity at the end of 2052, in the amount of 15,000 million tenge was recognised at fair value, at a market rate of 14.12% per annum. In March 2024, the Group and IDF revised the terms of the said loan, including by setting new maturity by the middle of the year 2030. The revision of the loan terms resulted in a substantial modification of the financial liability, which was accounted for as the extinguishment of the original financial liability and recognition of a new financial liability which was recognised at fair value using a market rate of 16.62% per annum. As a result of the substantial modification of the loan terms, the Group recognised a loss of 3,593 million tenge, inclusive of derecognition of a deferred liability in the form of a government grant, in the consolidated statement of comprehensive income.

(millions of tenge)

21. Amounts due to banks and other credit institutions (continued)

During 2024 the Group and DBK have concluded agreements for raising additional loans in the amount of 9,000 million tenge, bearing a nominal interest rate of 2.0% per annum, as part of the government programme to support small and medium-sized businesses by the banking sector. The loans were recognised at fair value, using the market rate of 16.90% per annum. As a result, the Group recognised a discount on these loans in the amount of 6,462 million tenge and deferred income on the government grant in the same amount, in other liabilities.

During 2025 the Group and ACC concluded a credit agreement worth of 10,549 million tenge under the programme for financing agro-industrial complex entities and agricultural production cooperatives; the loan bears a nominal interest rate of 1.5% per annum. The loans were recognised at fair value, using the market rates from 20.27% to 20.98% per annum. As a result, the Group recognised a discount on these loans in the amount of 898 million tenge. Loans issued to customers under this agreement were recognised at fair value, using the market rates of 23.34% to 23.39% per annum. As a result, a loss on initial recognition of loans of 246 million tenge was recognised in the consolidated statement of comprehensive income.

During 2025 the Group and ECAK concluded loan agreements under the export trade financing programme, worth of 16.3 million US dollars, the loan bears a nominal interest rate of 2.25% per annum, and worth of 10,000 million tenge, the loan bears a nominal interest rate of 7.5% per annum. The loans in tenge were recognised at fair value, using the market rates of 21.85% to 22.37% per annum. As a result, the Group recognised a discount on these loans in the amount of 827 million tenge. Loans issued to customers under this agreement were recognised at fair value, using the market rates from 20.22% to 23.46% per annum. As a result, a loss on initial recognition of loans of 477 million tenge was recognised in the consolidated statement of comprehensive income.

In December 2024 the Group concluded supplemental agreements with KSF as part of the refinancing programme for mortgage loans, whereby from 1 August 2024 the nominal interest rate decreased from 2.99% per annum to 0.1 % per annum, and maturities and other loan terms remained unchanged. Deposits were recognised at fair value, using the market rate of 15.25% per annum. As a result, the Group recognised a discount on these loans in the amount of 5,897 million tenge and deferred income on the government grant in the same amount, in other liabilities.

As at 31 December 2025 the Group has several loan agreements for a total of 7,604 million tenge, which include a covenant whereby the Group is obligated, during the whole term of the loan agreements, to prevent for the current liquidity ratio ("k4") to reduce by 15% or more over a month. In December 2024, the ratio k4 reduced by 16.3%, compared with that one maintained in the prior month, resulting from planned redemption of issued bonds, with a nominal value of 220,000 million tenge. At that, the Bank maintained the ratio k4 at the level, which significantly exceeds the prudential ratio set by the regulator (at least at 0.3). Since December 2024, no maximum threshold of a financial covenant was exceeded, and the Group complied with the covenant. On 25 February 2025 and 7 March 2025 the Group received confirmations from respective lenders that no breach of this covenant had occurred and that the lenders would not exercise their right to demand early repayment of the loans.

The Group had no defaults and other breaches of repayment schedules and the terms of raising funds from banks and other credit institutions, related to principal and interest on the principal amount outstanding, during the years ended 31 December 2025 and 31 December 2024.

*(millions of tenge)***22. Debt securities issued**

Debt securities issued comprise:

	<i>Maturity date</i>	<i>Coupon rate</i>	<i>31 December 2025</i>	<i>31 December 2024</i>
Bonds in US dollars				
Bonds issued in 2025	2030	7.75%	205,464	–
Bonds issued in 2025	2026	6%-8%	51,967	–
Bonds issued in 2025	2027	4.00%	12,731	–
Bonds issued in 2023	2025	4.00%	–	19,197
Bonds issued in 2022	2025	2.60%	–	1,114
			270,162	20,311
Bonds in tenge				
Bonds issued by Home Credit Bank JSC in 2024	2027	17.25%	21,431	–
Bonds issued by Home Credit Bank JSC in 2024	2029	17.25%	21,281	–
Bonds issued by Home Credit Bank JSC in 2025	2030	19.10%	21,169	–
Bonds issued by Home Credit Bank JSC in 2025	2028	18.15%	20,748	–
Bonds issued by Home Credit Bank JSC in 2025	2028	19.75%	20,108	–
Bonds issued by Home Credit Bank JSC in 2023	2026	16.50%	18,187	–
Bonds issued by Home Credit Bank JSC in 2025	2027	19.25%	10,848	–
Bonds issued by Home Credit Bank JSC in 2025	2026	17.50%	10,669	–
Bonds issued by Home Credit Bank JSC in 2023	2028	16.50%	10,461	–
Bonds issued by Home Credit Bank JSC in 2025	2026	19.50%	10,106	–
Bonds issued by Home Credit Bank JSC in 2024	2026	17.15%	7,917	–
Bonds issued in 2015	2025	10.13%	–	51,533
			172,925	51,533
			443,087	71,844

In January 2025 the Group placed Eurobonds on Vienna Stock Exchange (Vienna MTF) and AIX for a total of 400 million US dollars, with maturity in 2030 and a coupon rate of 7.75% per annum. As at 31 December 2025, the total nominal value of issued bonds was 400 million US dollars (equivalent of 202,212 million tenge).

In September 2025 the Group registered bonds on the AIX exchange in the amount of 50 million US dollars, with maturity in 2027 and a coupon rate of 4.00% per annum. In September 2025, the Group issued bonds totaling 19 million US dollars, in October and November 2025 an additional USD 5.9 million was issued.

In December 2025 the Group placed bonds on KASE for a total amount of 6,297 million tenge, with maturity in 2027 and 2028 and the coupon rates from 19.25% to 19.75% per annum.

The Group had no defaults and other breaches of repayment schedules and the terms of bonds issues, related to principal and interest on the principal amount outstanding, during years ended 31 December 2025 and 31 December 2024.

23. Subordinated debt

As at 31 December 2025 and 31 December 2024 subordinated debt includes tenge-denominated subordinated debt securities issued, maturing in 2026-2031 and having a fixed coupon rate of 8% p. a.. The coupon is paid every six months. During 2025 the Bank redeemed subordinated debt securities issued in the amount of 2,821 million tenge, in accordance with the contractual terms.

The Group had no defaults and other breaches of repayment schedules and the terms of subordinated debt, related to principal and interest on the principal amount outstanding, during the years ended 31 December 2025 and 31 December 2024.

24. Share capital

The number of authorised, placed and outstanding ordinary shares and share capital as at 31 December 2025 and 31 December 2024 are as follows:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Ordinary shares		
Number of authorised shares	150,003,000,000	150,003,000,000
Number of issued shares	92,387,104,089	92,387,104,089
Number of repurchased shares	(175,792,756)	(1,934,434,197)
Number of outstanding shares	92,211,311,333	90,452,669,892
Total share capital, millions of tenge	332,500	329,350

*(millions of tenge)***24. Share capital (continued)***Movements in placed, fully paid and outstanding shares were as follows:*

	<i>Number of ordinary shares</i>	<i>Nominal value of ordinary shares, millions of tenge</i>
At 1 January 2025	90,452,669,892	329,350
Sale of previously repurchased shares	1,758,641,441	3,150
At 31 December 2025	92,211,311,333	332,500
At 1 January 2024	90,452,669,892	329,350
Repurchase of shares	–	–
At 31 December 2024	90,452,669,892	329,350

In accordance with the resolution of the shareholders dated 29 April 2025, the Bank declared dividends on ordinary shares for the year ended 31 December 2024, in the amount of 101,704 million tenge, at the rate of 1,1040 tenge per ordinary share. As at 31 December 2025 the Bank paid dividends in the amount of 101,700 million tenge. In accordance with the resolution of the shareholders dated 17 April 2024, the Bank declared dividends on ordinary shares for the year ended 31 December 2023 in the amount of 58,215 million tenge, at the rate of 0.6436 tenge per ordinary share. As at 31 December 2024 the Bank paid dividends in the amount of 58,214 million tenge.

Fair value reserve

This reserve records fair value changes on financial assets at FVOCI.

The movement in the fair value reserve is as follows:

	<i>2025</i>	<i>2024</i>
At 1 January	30,201	(6,044)
Net change in fair value of debt instruments at fair value through other comprehensive income	(81,945)	35,787
Change in loss allowance for expected credit losses on debt instruments at fair value through other comprehensive income	(902)	686
Amount reclassified to profit or loss as a result of derecognition of debt financial instruments at fair value through other comprehensive income	(1,398)	(267)
Income tax relating to components of other comprehensive income	(227)	24
(Loss)/gain on equity instruments at fair value through other comprehensive income	(6)	15
At 31 December	(54,277)	30,201

AT1 bonds

In October 2025 the Group issued perpetual subordinated callable bonds of the Tier-1 additional paid-in capital, for a total of 400 million US dollars, bearing a coupon rate of 9.75% per annum. The transaction was made in accordance with 144A/RegS Rules, with listings on trading floors of Vienna Stock Exchange (Vienna MTF) and AIX. As at 31 December 2025 the carrying amount of AT1 was 209,586 million tenge, net of transaction costs amounted to 1,497 million tenge.

25. Earnings per share

The following table shows the profit and number of shares used to calculate basic and diluted earnings:

	<i>2025</i>	<i>2024</i>
Net profit attributable to shareholders of the Bank	191,019	160,346
A weighted average number of ordinary shares for the year ended 31 December	91,655,494,631	90,452,669,892
Basic and diluted earnings per share, in tenge	2.08	1.77

The weighted average number of ordinary shares for the year ended 31 December 2025 was impacted by the sale of 1,758,641,441 treasury shares during 2025. This transaction increased the weighted average number of shares by 1,202,824,739 units for the reporting period.

As at 31 December 2025 and 2024 the Bank has no financial instruments diluting earnings per share.

(millions of tenge)

26. Risk management

Introduction

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

The risk management policies aim to identify, analyse and manage the risks faced by the Group, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and emerging best practice.

Risk management structure

Board of Directors

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

Management Board

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

Risk Committees

Credit risk is controlled by a system of credit committees. For improving the efficiency of decision-making process, the Group has established a hierarchy of credit committees depending on the type and amount of risk exposure. Market risks, liquidity risk, as well as credit risks in terms of counterparties and country risks are managed and controlled by the Asset and Liability Management Committee (hereinafter "ALMC"), both at the level of the portfolio as a whole and at the level of individual transactions. Operational risks, including information technology and information security risks, are monitored by the Operations Committee.

Credit Risk Function, Strategic Risk Function

Both external and internal risk factors are identified and managed throughout the Group. Particular attention is given to identifying the full range of risk factors and determining the level of assurance over current risk mitigation procedures. In addition to the standard analysis of risks to which the Group is exposed, the risk management monitors financial and non-financial risks by holding regular meetings with divisions of the first line of defense to obtain an expert judgement in certain areas of development of the Group's activities.

Bank Treasury

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

Internal audit

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

Risk measurement and reporting systems

The Group's risks are measured using a method which reflects the expected loss likely to arise in normal circumstances based on statistical models. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. Except for expected losses, the Group also runs worst case scenarios that may 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 Group. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group is willing to accept. Also, the Group monitors and measures the overall risk-bearing capacity about the aggregate risk exposure across all risks types and activities.

Information compiled from all the businesses is examined and processed to analyse, control and early identify risks. This information is presented and explained to the Management Board, the Risk Committees, and the head of each business division. The reporting contains information on the total amount of credit, market, operational risks, liquidity indicator and changes in the level of risks. On a monthly basis the Management Board and collegial bodies under the Management Board and on a quarterly basis the Board of Directors receive a detailed risk report, which contains all the information necessary to assess the Group's risks and make appropriate decisions.

(millions of tenge)

26. Risk management (continued)

Risk management structure (continued)

Risk measurement and reporting systems (continued)

For all levels throughout the Group, 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.

Discussions are regularly held at meetings of the Management Board of the Bank, authorized collegial bodies and other employees of the Group on compliance with and maintenance of established limits, investments, liquidity, as well as changes in the level of risk.

Risk mitigation

As part of risk management, the Group uses a wide range of instruments to manage exposures arising from changes in foreign exchange rates, portfolio price risk, derivative financial instruments, credit risk, and exposures arising from forecast transactions. The Group is not active in the stock and derivatives markets and actively uses collateral to mitigate its credit risk.

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 Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risks, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio.

Credit risk

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

The Group has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The asset quality assessment procedure allows the Group to assess the amount of potential losses on the risks to which it is exposed and to take the necessary measures if necessary.

Credit-related commitments risks

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

The carrying amount of components of the consolidated 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.

Credit-related commitments risks (continued)

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

For more details on the maximum exposure to credit risk for each class of financial instruments references shall be made to the specific notes. The effect of collateral and other risk mitigation techniques is shown in Notes 15 and 16.

Measurement of impairment

The Group calculates ECL for insignificant assets on a collective basis and individually significant on the basis of several probability-weighted scenarios to estimate expected cash shortfalls, which are discounted at the EIR or 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:

(millions of tenge)

26. Risk management (continued)

Credit risk (continued)

Measurement of impairment (continued)

Probability of Default (PD)	<i>The Probability of Default</i> is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is still in the portfolio.
Exposure at Default (EAD)	<i>The Exposure at Default</i> is an estimate of the exposure at a future default date, taking into account expected changes in the exposure (EAD) 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.
Loss Given Default (LGD)	<i>The Loss Given Default</i> is an estimate of the loss arising in the case where default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The allowance for ECL 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 represents 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 Group 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 a default occurring over the remaining life of the financial instrument. Based on the above process, the Group groups its loans issued as described below:

- Step 1: When loans are first recognised, the Group recognises an allowance based on 12mECL.-
- Step 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECL.
- Stage 3: Loans considered credit-impaired. The Group recognises 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 initial recognition and interest revenue is subsequently recognised based on a credit-adjusted EIR. Loss allowance for ECL is only recognised or released to the extent that there is a subsequent change in the lifetime expected credit losses.

Definition of default and cure

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days and over 90 days (60 days and more for individual financial assets) past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Group 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:

- Internal rating of the borrower (corporate business)/counterparty bank indicating default or near-default;
- Suspension of the loan contractual interest accrual due to the deterioration of a financial condition of the borrower;
- Write-off of a portion and/or the entire outstanding amount of the borrower, which was caused by a significant increase in credit risk since a loan has been provided;
- Sale of loans at a significant discount;
- Availability of court decisions on declaring the borrower bankrupt in accordance with the legislation of the Republic of Kazakhstan (not applicable to the co-borrower);
- Blocking of the counterparty's correspondent account (by court order or otherwise);
- Withdrawal of rating assigned at the time of issuing a loan;
- Appeal of the counterparty bank to the court, with an application for declaring it bankrupt in accordance with the legislation of the country of the counterparty bank;

(millions of tenge)

26. Risk management (continued)

Credit risk (continued)

Definition of default and cure (continued)

- Revocation/suspension of the licence of the counterparty bank;
- Decease of the borrower;
- If the borrower is the issuer of securities registered on the stock exchange, and such securities are undergoing or have gone through the procedure for cancelling the issue of securities;
- Debt restructuring due to deterioration of financial condition of the borrower for the last 12 months;
- Moving the borrower to the unit working with non-performing loans.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria have been present at the reporting date subject to a reduction of the debt on this financial instrument as a result of the repayment of its portion, as well as in the case of restructuring, at least 12 months have passed since the restructuring. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

The internal rating and PD estimation process

The Bank's Credit Risk Department operates its internal rating models. For corporate business and small and medium-sized businesses borrowers, a single rating model is used. The models incorporate both qualitative and quantitative information and, in addition to information specific to the borrower, utilise supplemental external information that could affect the borrower's behaviour. Where practical, they also build on information from the national and international external rating agencies. PDs, incorporating forward-looking information and the IFRS 9 stage classification of the exposure, are assigned for each grade. This is repeated for each economic scenario as appropriate.

Treasury and interbank relationships

The Group's treasury and interbank relationships and counterparties comprise financial services institutions, banks, broker-dealers, exchanges and clearing-houses. To assess such relationships, the Group's Strategic Risks Function uses publicly available information, such as external ratings of international rating agencies, on which the ECL calculations are based.

Corporate and small business lending

For corporate loans, the borrowers are assessed by Credit Risk Function of the Group. The credit risk assessment is based on a financial model that takes into account various historical, current and forward-looking information such as:

- Historical financial information together with forecasts and budgets prepared by the client. This financial information includes realised and expected results, solvency ratios, liquidity ratios and any other relevant ratios to measure the client's financial performance. Some of these indicators are captured in covenants with the clients and are, therefore, measured with greater attention;
- Any publicly available information on the clients from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bond 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;
- Other reasonable and supportable information about the quality of the client's management and capabilities that is relevant to assess the entity'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.

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

*(millions of tenge)***26. Risk management (continued)****Credit risk (continued)***Corporate and small business lending*

<i>Internal rating</i>	<i>Internal rating description</i>
AAA	
AA+	
AA	
AA-	Minimum credit risk (range of PD from 0.0509% to 0.9189%)
A+	
A	
A-	
BBB+	
BBB	Low credit risk (range of PD from 0.9189% (inclusive) to 6.8867%)
BBB-	
BB+	
BB	
BB-	Medium credit risk (range of PD from 6.8867% (inclusive) to 20.4495%)
B+	
B	
B-	High credit risk (range of PD from 20.4495% (inclusive) to 57.5081%)
CCC+	
CCC	
CCC-	
CC	Default
D (Default)	(range of PD from 57.5081% (inclusive) to 100%)

Retail lending

Retail lending includes both secured and unsecured loans to individuals, as well as credit cards. Customer creditworthiness is assessed using an automated scoring system. The main input data used in the models include: credit history, debt burden, socio-demographic information, behavioral indicators, employment and income data, security information (fraud factors), as well as the loan-to-value ratio (LTV) for loans secured by collateral.

Exposure at Default

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

The Group determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The IFRS 9 PDs are then assigned to each economic scenario based on the outcome of the Group's models.

The Group's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Group has the right to cancel and/or reduce the facilities. The Group does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Group's expectations of the customer behaviour, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities. The interest rate used to discount the ECLs for credit cards is based on the original effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

Loss Given Default

In case of collateralized lending, the LGD indicator is taken into account, which provides for a discount on the sale of collateral (liquidity ratio) and the expected period of sale of the collateral.

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

(millions of tenge)

26. Risk management (continued)

Credit risk (continued)

Loss Given Default (continued)

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

LGD rates are estimated for the Stage 1, Stage 2, Stage 3 and POCI segment of each asset class. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries. LGD levels for securities issuers of the Bank's own securities portfolio are assessed on the basis of external data of the international rating agency Moody's.

Significant increase in credit risk

The Group 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 Group assesses whether there has been a significant increase in credit risk since initial recognition. Except for loans to individuals, the Group believes that the credit risk on a financial instrument has increased significantly from the moment of initial recognition if the borrower's rating decreased in comparison with the rating at initial recognition based on an analysis of the Bank's statistics confirming the significance of such a decrease in respect of credit risk.

The Group also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, for example, deterioration of the Bank's communication with the borrower, which, in the Bank's opinion, may lead to difficulties in repaying the loan, or providing a restructuring option due to the borrower's temporary difficulties to repay its obligations to the Bank resulting from that a state of emergency was declared. In certain cases, the Group may also consider that events explained in "Definition of default" section above are a significant increase in credit risk as opposed to a default. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

The Group additionally uses the following criteria for determining whether there has been a significant increase in credit risk: a quantitative indicator based on movement in probability of default (PD) since initial recognition of a financial asset (for each financial asset risk group, a threshold of 200 % is set) and an absolute value of 12-month PD based on the Group's own supportable statistics.

Grouping financial assets measured on a collective basis

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

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

- Loans in the CB portfolio and individually significant loans in the small and medium-sized businesses portfolio of Stage 2 and Stage 3;
- The treasury and interbank financial assets (such as amounts due from banks, cash equivalents and debt investment securities at amortised cost and fair value through other comprehensive income);
- Individually significant purchased credit impaired financial assets.

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

- Individually significant and individually insignificant loans in the small and medium-sized businesses portfolio of Stage 1;
- Individually insignificant loans in the portfolio of small and medium-sized businesses of Stage 2 and Stage 3;
- Mortgage loans;
- Consumer unsecured loans;
- Contingency loans;
- Car loans;

(millions of tenge)

26. Risk management (continued)

Credit risk (continued)

Grouping financial assets measured on a collective basis (continued)

- Other loans to individuals;
- Purchased credit impaired financial assets managed on a collective basis.

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

Forward-looking information and multiple economic scenarios

As at 31 December 2025, the Group uses the following forward-looking information in its ECL calculation models as economic inputs:

- Change in the price per a barrel of oil.
- Inflation rate.
- GDP growth.
- Changes in USD/KZT rate.
- Gross Added Value (hereinafter, the "GAV") in construction sector.
- GAV in manufacturing sector.
- GAV in wholesale and retail trade, repair of cars and motorcycles sectors.

The Group obtains the forward-looking information from third party sources (external rating agencies, governmental bodies e.g. the NBRK and international financial institutions). Experts of the Bank's Strategic Risks Function determine the weights attributable to the multiple scenarios. A range of forecast values of key factors used by segments/subsegments depending on scenario weights in the ECL calculation as at 31 December 2025 are presented below:

*(millions of tenge)***26. Risk management (continued)****Credit risk (continued)***Forward-looking information and multiple economic scenarios (continued)*

<i>Key drivers</i>	<i>ECL scenario</i>	<i>Assigned probability, %</i>	<i>Forecast</i>
Change in the price per a barrel of oil	Positive	32.5%	80.4
	Base case	35.0%	65.9
	Negative	32.5%	52.4
Inflation rate,%	Positive	32.5%	11.5%
	Base case	35.0%	12.3%
	Negative	32.5%	13.1%
GDP growth,%	Positive	32.5%	5.8%
	Base case	35.0%	4.2%
	Negative	32.5%	2.6%
Changes in USD/KZT rate	Positive	32.5%	495.7
	Base case	35.0%	554.7
	Negative	32.5%	616.1
GAV in construction sector	Positive	32.5%	16.4%
	Base case	35.0%	15.8%
	Negative	32.5%	15.2%
GAV in manufacturing sector	Positive	32.5%	4.5%
	Base case	35.0%	3.5%
	Negative	32.5%	2.4%
GAV in wholesale and retail trade, repair of cars and motorcycles sectors	Positive	32.5%	7.4%
	Base case	35.0%	3.9%
	Negative	32.5%	0.3%

The amount of the allowance for ECL for loans to customers recognised in the consolidated statement of financial position as at 31 December 2025 was 153.231 million tenge (31 December 2024: 89.385 million tenge).

Changes in key assumptions and judgements may impact allowance for ECL on loans to customers. For example, to the extent that the net present value of the estimated cash flows differs by plus one percent, allowance for ECL on loans to customers as at 31 December 2025 would be KZT 22.125 million higher. To the extent that the discounted value of collateral differs by plus/minus ten percent, loss allowance for expected credit losses on loans to customers as at 31 December 2025 would be KZT 540 million tenge lower and KZT 610 million higher, respectively. More details are provided in *Note 15*.

*(millions of tenge)***26. Risk management (continued)****Credit risk (continued)***Credit quality per class financial assets*

The Group manages the credit quality of financial assets by analysing the number of days overdue for the retail and SMB segments and on the basis of internal ratings - for corporate loans, for other financial instruments - based on ratings assigned by international rating agencies according to the table below. Credit quality analysis is presented in the respective notes.

<i>External international rating Agency (Moody's) rating</i>	<i>External international rating agency (S&P, Fitch) rating</i>	<i>Annual PD</i>
Aa1 to Aaa	AA+ to AAA	
Aa2	AA	
A1 to Aa3	A+ to AA-	0.001-0.055%
A3 to A2	A- to A	
Baa1	BBB+	
Baa2	BBB	
Baa3	BBB-	
Ba1	BB+	0.044-0.548%
Ba3 to Ba2	BB- to BB	
B3 to B1	B- to B+	
Caa2 to Caa1	CCC to CCC+	0.782-7.676%
Ca to Caa3	C to CCC-	18.90-40.445%
Default	D	100.00%

LGD levels for securities issuers of the Bank's own securities portfolio are assessed on the basis of external data of the international rating agency Moody's according to the following table:

<i>Securities issuer sector</i>	<i>LGD</i>
Government securities	47.00%
Securities of corporate sector	62.10%
Banks	80.00%

Geographic information

As at 31 December 2025 and 31 December 2024, the Group's assets and liabilities were primarily concentrated in the Republic of Kazakhstan

Market risk

Market risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest rate and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices and foreign currency rates.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Overall authority for market risk is vested in the ALCO. Market risk limits are approved by the Board of Directors based on recommendations of the Strategic Risk Function and subsequently agreed by the ALCO and Management Board.

The Group manages its market risk by setting open position limits in relation to portfolios of certain financial instruments, interest rate maturity and currency positions and stop-loss limits. These are monitored on a regular basis and reviewed and approved by the Management Board and Board of Directors.

In addition, the Group uses a wide range of stress tests to model the potential financial impact of a variety of exceptional market scenarios on individual trading portfolios and the Group's overall position. Stress tests provide an indication of the potential size of losses that could arise in extreme conditions. The stress tests carried out by the Group include risk factor stress testing, where stress movements are applied to each risk category and ad hoc stress testing, which includes applying possible stress events to specific positions.

Interest rate risk is also managed by monitoring the interest rate gap and is supplemented by monitoring the sensitivity of net interest margin to various standard and non-standard interest rate scenarios.

*(millions of tenge)***26. Risk management (continued)****Market risk (continued)***Interest rate risk*

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

Interest rate gap analysis

Interest rate risk is managed principally through monitoring interest rate gaps. As the majority of the financial instruments bear fixed interest rates the interest gap analysis is similar to the maturity analysis, except for a syndicated loan within the amount due to banks and other credit institutions for a total of 101,121 million tenge with a floating interest rate changing on a quarterly basis, the maturity of the loan is in May 2026.

Interest rate sensitivity analysis

The management of interest rate risk, based on an interest rate gap analysis, is supplemented by monitoring the sensitivity of financial assets and liabilities. An analysis of the sensitivity of net profit and equity to changes in interest rates (repricing risk), based on a simplified scenario of a 100 basis points symmetrical fall or 300 basis points rise in all yield curves and positions of interest-bearing assets and liabilities existing as at 31 December 2025 and 31 December 2024 is as follows:

	<u>2025</u>	<u>2024</u>
	<i>Effect on profit</i>	<i>Effect on profit</i>
100 basis points parallel fall	3,702	702
300 basis points parallel rise	(11,105)	(2,107)

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

	<u>2025</u>		<u>2024</u>	
	<i>Effect on</i>	<i>Effect on</i>	<i>Effect on</i>	<i>Effect on</i>
	<i>profit</i>	<i>other</i>	<i>profit</i>	<i>other</i>
	<i>profit</i>	<i>comprehen-</i>	<i>profit</i>	<i>comprehen-</i>
	<i>profit</i>	<i>sive income</i>	<i>profit</i>	<i>sive income</i>
100 basis points parallel fall	–	19,386	–	30,442
100 basis points parallel rise	–	(18,357)	–	(28,537)

*(millions of tenge)***26. Risk management (continued)****Market risk (continued)***Currency risk*

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

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Despite the fact that the Group hedges its exposure to currency risk, such transactions do not qualify as hedging relationships in accordance with IFRS Accounting Standards.

The following table shows financial assets and liabilities by foreign currencies:

<i>31 December 2025</i>	<i>Tenge</i>	<i>US Dollars</i>	<i>Euro</i>	<i>Other currencies</i>	<i>Total</i>
Assets					
Cash and cash equivalents	789,701	252,388	38,043	62,207	1,142,339
Amounts due from credit institutions	9,270	53,321	9,343	–	71,934
Securities at fair value through profit or loss	5,732	–	–	–	5,732
Loans to customers	3,217,848	414,166	5,136	49,622	3,686,772
Investment securities	765,271	198,324	21,347	–	984,942
Other financial assets	16,713	1,283	23	2	18,021
Total financial assets	4,804,535	919,482	73,892	111,831	5,909,740
Liabilities					
Current accounts and deposits from customers	3,259,306	909,678	70,215	53,529	4,292,728
Deposit certificates	106,122	–	–	–	106,122
Amounts due to banks and other credit institutions	174,949	101,903	481	54,479	331,812
Amounts payable under repurchase agreements	64,781	–	–	–	64,781
Debt securities issued	171,559	271,528	–	–	443,087
Subordinated debt	11,529	–	–	–	11,529
Other financial liabilities	40,116	2,136	3,934	2,456	48,642
Total financial liabilities	3,828,362	1,285,245	74,630	110,464	5,298,701
Net position	976,173	(365,763)	(738)	1,367	611,039
The effect of derivatives held for risk management purposes	(361,828)	364,031	(457)	558	2,304
Deals concluded on standard terms	4,834	(7,461)	593	2,021	(13)
Net position adjusted for impact of derivative instruments and deals concluded on standard terms held for the purpose of risk management	619,179	(9,193)	(602)	3,946	613,330

*(millions of tenge)***26. Risk management (continued)****Market risk (continued)***Currency risk (continued)*

The following table shows financial assets and liabilities by foreign currencies:

<i>31 December 2024</i>	<i>Tenge</i>	<i>US Dollars</i>	<i>Euro</i>	<i>Other currencies</i>	<i>Total</i>
Assets					
Cash and cash equivalents	727,766	169,712	25,424	23,098	946,000
Amounts due from credit institutions	14,182	86,295	1	–	100,478
Securities at fair value through profit or loss	2,326	562	–	–	2,888
Loans to customers	1,487,030	332,109	995	–	1,820,134
Investment securities	934,636	151,439	28,237	–	1,114,312
Other financial assets	7,713	117	14	7	7,851
Total financial assets	3,173,653	740,234	54,671	23,105	3,991,663
Liabilities					
Current accounts and deposits from customers	1,975,084	812,305	52,590	27,976	2,867,955
Amounts due to banks and other credit institutions	77,661	–	–	–	77,661
Amounts payable under repurchase agreements	435,394	–	–	–	435,394
Debt securities issued	51,533	20,311	–	–	71,844
Subordinated debt	14,389	–	–	–	14,389
Other financial liabilities	11,509	1,047	1,709	241	14,506
Total financial liabilities	2,565,570	833,663	54,299	28,217	3,481,749
Net position	608,083	(93,429)	372	(5,112)	509,914
The effect of derivatives held for risk management purposes	(91,220)	93,480	(355)	(1,969)	(64)
Deals concluded on standard terms	(7,639)	5,715	–	1,802	(122)
Net position adjusted for impact of derivative instruments and deals concluded on standard terms held for the purpose of risk management	509,224	5,766	17	(5,279)	509,728

The tables below indicate the currencies to which the Group had significant exposure at 31 December on its non-trading monetary assets and liabilities and its forecast cash flows. This analysis is on a before tax basis and is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular, interest rates, remain constant. The negative amount in the table reflects a potential net reduction in the profit or equity, while a positive amount reflects a net potential increase.

<i>Currency</i>	<i>2025</i>		<i>2024</i>	
	<i>Increase in currency rate, %</i>	<i>Effect on profit before tax</i>	<i>Increase in currency rate, %</i>	<i>Effect on profit before tax</i>
US Dollar	10.00	(919)	10.00	577
Euro	10.00	(60)	10.00	2
Other currencies	10.00	395	10.00	(528)
<i>Currency</i>	<i>2025</i>		<i>2024</i>	
	<i>Decrease in currency rate, %</i>	<i>Effect on profit before tax</i>	<i>Decrease in currency rate, %</i>	<i>Effect on profit before tax</i>
US Dollar	(10.00)	919	(10.00)	(577)
Euro	(10.00)	60	(10.00)	(2)
Other currencies	(10.00)	(395)	(10.00)	528

(millions of tenge)

26. Risk management (continued)

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access rights, authorisation and reconciliation procedures, staff training, and assessment processes, including the use of internal audit.

Liquidity risk

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

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

The Group seeks to actively support a diversified and stable funding base comprising issued debt securities, long-term and short-term loans from other banks, deposits of the main corporate customers and individuals as well as diversified portfolios of highly liquid assets, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements. Liquidity risk management policy includes:

- Projecting cash flows by major currencies and considering the level of liquid assets necessary in relation thereto;
- Maintaining a diverse range of funding sources;
- Managing the concentration and profile of debts;
- Managing the duration of the securities' portfolio;
- Maintaining debt financing plans;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any interruption to cash flow;
- Developing a financing plan in case of a liquidity crisis;
- Monitoring liquidity ratios against regulatory requirements.

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

The daily liquidity position is monitored by the Treasury and regular liquidity stress testing under a variety of scenarios covering both normal and more unfavourable market conditions is performed by the strategic risks function. Under normal market conditions, liquidity reports are provided to the Management Board and the ALMC on a monthly basis, and to the Board of Directors on a quarterly basis. Decisions on liquidity management are made by the ALMC as advised by the risk management and implemented by the Treasury.

(millions of tenge)

26. Risk management (continued)

Liquidity risk (continued)

The following tables show the undiscounted contractual cash flows on financial assets, liabilities and credit-related commitments on the basis of their earliest possible contractual maturity. The total gross inflow and outflow disclosed in the tables is the contractual, undiscounted cash flow on the financial assets, liabilities or credit related commitments. For issued financial guarantee contracts, the Bank allocates the maximum amount of the guarantee to the earliest period in accordance with the expiration date of the guarantee, however, the amount of the guarantee can be claimed at any time.

The maturity analysis for financial assets and liabilities and contingent and contractual liabilities based on undiscounted contractual cash flows as at 31 December 2025 is as follows:

<i>31 December 2025</i>	<i>On demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 12 months</i>	<i>1 to 5 years</i>	<i>Over 5 years</i>	<i>Total</i>	<i>Carrying amount</i>
Non-derivative financial assets							
Cash and cash equivalents	1,143,368	–	–	–	–	1,143,368	1,142,339
Amounts due from credit institutions	23,302	1,510	4,409	24,368	29,442	83,031	71,934
Securities at fair value through profit or loss	5,732	–	–	–	–	5,732	5,732
Loans to customers	284,498	347,545	1,487,952	2,843,770	374,905	5,338,670	3,686,772
Investment securities	67,159	66,575	285,000	567,561	402,047	1,388,342	984,942
Other financial assets	7,076	426	9,584	711	224	18,021	18,021
Total non-derivative financial assets	1,531,135	416,056	1,786,945	3,436,410	806,618	7,977,164	5,909,740
Non-derivative financial liabilities							
Current accounts and deposits from customers	(2,106,557)	(535,349)	(1,350,122)	(521,737)	(32,605)	(4,546,370)	(4,292,728)
Deposit certificates	(5,785)	(9,498)	(61,370)	(48,178)	–	(124,831)	(106,122)
Amounts due to banks and other credit institutions	(2,764)	(19,802)	(161,827)	(89,128)	(195,775)	(469,296)	(331,812)
Amounts payable under repurchase agreements	(35,930)	(14,385)	(16,609)	–	–	(66,924)	(64,781)
Debt securities issued	(6,248)	(21,351)	(116,452)	(436,078)	–	(580,129)	(443,087)
Subordinated debt	–	–	(3,448)	(6,884)	(3,416)	(13,748)	(11,529)
Other financial liabilities	(29,247)	(2,802)	(657)	(278)	(15,658)	(48,642)	(48,642)
Total non-derivative financial liabilities	(2,186,531)	(603,187)	(1,710,485)	(1,102,283)	(247,454)	(5,849,940)	(5,298,701)
Net liquidity gap on financial assets and financial liabilities	(655,396)	(187,131)	76,460	2,334,127	559,164	2,127,224	611,039
Contingent liabilities	(1,485,656)	–	–	–	–	(1,485,656)	

In accordance with Kazakhstan legislation, depositors can withdraw their term deposits at any time, losing in most of the cases the accrued interest income. The Group expects that many customers will not request repayment on the earliest date the Group could be required to pay. Accordingly, in the above table, deposits of individuals are presented in accordance with contractual terms with consideration of this assumption.

(millions of tenge)

26. Risk management (continued)

Liquidity risk (continued)

Management expects that the repayment of liabilities and disposal of assets may be different from their contractual terms either because management has the discretionary ability to manage the cash flows or because past experience indicates that cash flows on these financial assets and liabilities may differ from contractual terms.

The maturity analysis for financial assets and liabilities and contingent and contractual liabilities based on undiscounted contractual cash flows as at 31 December 2024 is as follows:

<i>31 December 2024</i>	<i>On demand and less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 12 months</i>	<i>From 1 to 5 years</i>	<i>Over 5 years</i>	<i>Total</i>	<i>Carrying amount</i>
Non-derivative financial assets							
Cash and cash equivalents	947,520	71	–	–	–	947,591	946,000
Amounts due from credit institutions	1,562	2,993	58,859	18,266	19,997	101,677	100,478
Securities at fair value through profit or loss	2,888	–	–	–	–	2,888	2,888
Loans to customers	101,531	310,785	762,188	1,274,244	178,637	2,627,385	1,820,134
Investment securities	17,643	64,702	229,961	689,403	520,163	1,521,872	1,114,312
Other financial assets	2,752	11	491	4,559	38	7,851	7,851
Total non-derivative financial assets	1,073,896	378,562	1,051,499	1,986,472	718,835	5,209,264	3,991,663
Non-derivative financial liabilities							
Current accounts and deposits from customers	(1,777,405)	(235,755)	(733,761)	(182,534)	(19,978)	(2,949,433)	(2,867,955)
Amounts due to banks and other credit institutions	(15,790)	(737)	(2,652)	(20,485)	(156,697)	(196,361)	(77,661)
Amounts payable under repurchase agreements	(436,655)	–	–	–	–	(436,655)	(435,394)
Debt securities issued	(2,530)	(240)	(72,759)	–	–	(75,529)	(71,844)
Subordinated debt	(25)	–	(3,844)	(10,079)	(3,670)	(17,618)	(14,389)
Other financial liabilities	(11,417)	(82)	(1,139)	(37)	(1,831)	(14,506)	(14,506)
Total non-derivative financial liabilities	(2,243,822)	(236,814)	(814,155)	(213,135)	(182,176)	(3,690,102)	(3,481,749)
Net liquidity gap on financial assets and financial liabilities	(1,169,926)	141,748	237,344	1,773,337	536,659	1,519,162	509,914
Contingent liabilities	(565,831)	–	–	–	–	(565,831)	

(millions of tenge)

27. Maturity analysis of assets and liabilities

The following table shows the expected maturities of assets and liabilities as at 31 December 2025 and 31 December 2024:

<i>31 December 2025</i>	<i>Less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 12 months</i>	<i>1 to 5 years</i>	<i>Over 5 years</i>	<i>No maturity</i>	<i>Overdue</i>	<i>Total</i>
Assets								
Cash and cash equivalents	1,142,339	–	–	–	–	–	–	1,142,339
Amounts due from credit institutions	12,270	1,489	4,365	24,368	29,442	–	–	71,934
Securities at fair value through profit or loss	331	–	–	–	–	5,401	–	5,732
Loans to customers	87,607	184,594	860,553	2,136,134	248,986	–	168,898	3,686,772
Investment securities	67,162	60,190	254,345	331,123	272,122	–	–	984,942
Property and equipment	–	–	–	–	–	86,737	–	86,737
Intangible assets	–	–	–	–	–	43,314	–	43,314
Goodwill	–	–	–	–	–	26,364	–	26,364
Other assets	30,232	417	21,789	120	7	1,061	367	53,993
Total assets	1,339,941	246,690	1,141,052	2,491,745	550,557	162,877	169,265	6,102,127
Liabilities								
Current accounts and deposits from customers	(2,031,298)	(516,480)	(1,279,240)	(441,555)	(24,155)	–	–	(4,292,728)
Deposit certificates	(6,562)	(8,058)	(54,917)	(36,585)	–	–	–	(106,122)
Amounts due to banks and other credit institutions	(3,105)	(16,681)	(153,644)	(75,345)	(83,037)	–	–	(331,812)
Amounts payable under repurchase agreements	(35,792)	(14,065)	(14,924)	–	–	–	–	(64,781)
Debt securities issued	(5,776)	(18,928)	(89,105)	(329,278)	–	–	–	(443,087)
Subordinated debt	–	–	(2,720)	(5,646)	(3,163)	–	–	(11,529)
Deferred tax liabilities	–	–	–	(3,117)	–	–	–	(3,117)
Other liabilities	(35,206)	(2,802)	(18,723)	(278)	(15,757)	–	(1,322)	(74,088)
Total liabilities	(2,117,739)	(577,014)	(1,613,273)	(891,804)	(126,112)	–	(1,322)	(5,327,264)
Net position	(777,798)	(330,324)	(472,221)	1,599,941	424,445	162,877	167,943	774,863
Net accumulated position	(777,798)	(1,108,122)	(1,580,343)	19,598	444,043	606,920	774,863	

(millions of tenge)

27. Maturity analysis of assets and liabilities (continued)

<i>31 December 2024</i>	<i>Less than 1 month</i>	<i>1 to 3 months</i>	<i>3 to 12 months</i>	<i>1 to 5 years</i>	<i>Over 5 years</i>	<i>No maturity</i>	<i>Overdue</i>	<i>Total</i>
Assets								
Cash and cash equivalents	946,000	–	–	–	–	–	–	946,000
Amounts due from credit institutions	1,562	2,967	57,685	18,266	19,998	–	–	100,478
Securities at fair value through profit or loss	616	–	–	–	–	2,272	–	2,888
Loans to customers	63,906	254,540	556,786	815,815	118,825	–	10,262	1,820,134
Investment securities	17,145	58,950	201,555	449,310	387,352	–	–	1,114,312
Property and equipment	–	–	–	–	–	54,232	–	54,232
Intangible assets	–	–	–	–	–	15,224	–	15,224
Other assets	6,192	14	24,809	5,814	48	–	791	37,668
Total assets	1,035,421	316,471	840,835	1,289,205	526,223	71,728	11,053	4,090,936
Liabilities								
Current accounts and deposits from customers	(1,776,080)	(232,271)	(693,847)	(160,622)	(5,135)	–	–	(2,867,955)
Amounts due to banks and other credit institutions	(10,627)	(712)	(1,526)	(14,881)	(49,915)	–	–	(77,661)
Amounts payable under repurchase agreements	(435,394)	–	–	–	–	–	–	(435,394)
Debt securities issued	(2,151)	(240)	(69,453)	–	–	–	–	(71,844)
Subordinated debt	(25)	–	(2,979)	(8,221)	(3,164)	–	–	(14,389)
Deferred tax liabilities	–	–	–	(10,568)	–	–	–	(10,568)
Other liabilities	(20,277)	(82)	(22,712)	(37)	(1,831)	–	(2)	(44,941)
Total liabilities	(2,244,554)	(233,305)	(790,517)	(194,329)	(60,045)	–	(2)	(3,522,752)
Net position	(1,209,133)	83,166	50,318	1,094,876	466,178	71,728	11,051	568,184
Net accumulated position	(1,209,133)	(1,125,967)	(1,075,649)	19,227	485,405	557,133	568,184	

*(millions of tenge)***28. Offsetting of financial instruments**

Disclosures in the tables below include information on financial assets and financial liabilities, which:

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

Similar financial instruments include derivative financial assets, sales and repurchase agreements, reverse sale and repurchase agreements and securities borrowing and lending agreements. Financial instruments such as loans and deposits are not disclosed in the table below, unless they are offset in the consolidated statement of financial position.

The Group receives and provides collateral in the form of cash and marketable securities in respect of the repurchase and reverse repurchase agreements.

Such collateral is subject to the standard industry terms of the International Swaps and Derivatives Association ("ISDA") Credit Support Annex. This means that securities received/given as collateral can be pledged or sold during the term of the transaction but must be returned on maturity of the transaction. The terms also give each counterparty the right to terminate the related transactions upon the counterparty's failure to post collateral.

As at 31 December 2025, the Group has payables under repurchase agreements in the amount of 64,781 million tenge, which are collateralised by investment securities with a total fair value of 66,546 million tenge (treasury bonds of the Ministry of Finance of the Republic of Kazakhstan, US Treasury bonds) (*Note 16*).

As at 31 December 2024, the Group has payables under repurchase agreements in the amount of 435,394 million tenge, which are collateralised by investment securities with a total fair value of 436,666 million tenge (treasury bonds of the Ministry of Finance of the Republic of Kazakhstan) (*Note 16*).

The table below shows financial assets and financial liabilities subject to enforceable master netting arrangements or similar arrangements as at 31 December 2025.

	<i>Gross amount of recognised financial liabilities offset</i>	<i>in the consolidated statement of financial position</i>	<i>Net amount of financial assets/ (liabilities) presented in the consolidated statement of financial position</i>	<i>Related amounts not offset in the consolidated statement of financial position</i>	<i>Financial instruments</i>	<i>Net amount</i>
31 December 2025						
Receivables under reverse repurchase agreements (<i>Note 13</i>)	72,933	–	72,933	(72,971)		–
Payables under repurchase agreements (<i>Note 16</i>)	(64,781)	–	(64,781)	66,546		1,765
	8,152	–	8,152	(6,425)		1,765

*(millions of tenge)***28. Offsetting of financial instruments (continued)**

The table below shows financial assets and financial liabilities subject to enforceable master netting arrangements or similar arrangements as at 31 December 2024.

<i>31 December 2024</i>	<i>Gross amount of recognised financial liabilities offset in the consolidated statement of financial position (liabilities)</i>	<i>Gross amount of recognised financial assets/ liabilities offset in the consolidated statement of financial position</i>	<i>Net amount of financial assets/ (liabilities) presented in the consolidated statement of financial position</i>	<i>Related amounts not offset in the consolidated statement of financial position</i>	<i>Net amount</i>
Receivables under reverse repurchase agreements (<i>Note 13</i>)	6,554	—	6,554	(6,646)	—
Payables under repurchase agreements (<i>Note 16</i>)	(435,394)	—	(435,394)	436,666	1,272
	(428,840)	—	(428,840)	430,020	1,272

The table below shows derivatives financial instruments:

<i>31 December 2025</i>	<i>Nominal amount</i>	<i>Fair value</i>
Derivative financial assets	549,183	3,180
Derivative financial liabilities	(548,181)	(2,155)
<i>31 December 2024</i>		
Derivative financial assets	94,923	49
Derivative financial liabilities	(94,987)	(131)

29. Changes in liabilities arising from financing activities

	<i>Debt securities issued</i>	<i>Loans from credit institutions</i>	<i>Subordinated debt</i>	<i>Total liabilities from financing activities</i>
Carrying amount as at 31 December 2023	267,250	—	14,389	281,639
Proceeds from issue	6,781	—	—	6,781
Redemption	(3,067)	—	—	(3,067)
Repayment	(220,000)	—	—	(220,000)
Accrual of interest	14,111	—	1,136	15,247
Repayment of interest	(14,497)	—	(1,136)	(15,633)
Foreign exchange differences	2,721	—	—	2,721
Unwinding of discount	18,545	—	—	18,545
Carrying amount at 31 December 2024	71,844	—	14,389	86,233
Proceeds from issue	231,307	158,734	—	390,041
Repayment	(72,941)	—	(2,821)	(75,762)
Accrual of interest	20,689	—	1,011	21,700
Repayment of interest	(15,701)	—	(1,050)	(16,751)
Foreign exchange differences	(6,506)	(4,311)	—	(10,817)
Unwinding of discount/premiums	(1,774)	—	—	(1,774)
Acquisition of subsidiary	216,169	43,319	—	259,488
Carrying amount at 31 December 2025	443,087	197,742	11,529	652,358

The Group classifies interest paid as cash flows from operating activities.

(millions of tenge)

30. Capital management

The Group, being a banking conglomerate, defines as capital those items defined by the legislation of the Republic of Kazakhstan as capital for credit institutions. Under the current capital requirements set by the NBRK banking conglomerates have to maintain a capital adequacy ratio of own capital above the prescribed minimum level.

As at 31 December 2025, in accordance with the Resolution No. 309 dated 26 December 2016, the capital adequacy ratio of a banking conglomerate is calculated as the ratio of own capital, net of investments in the charter capital of legal entities that are not banks, to the sum of risk-weighted statutory assets, contingent liabilities, operational and market risk multiplied by minimum required capital adequacy ratio of each banking participant in the banking conglomerate. This capital adequacy ratio must be not less than 1.0. As at 31 December 2025 the Group's capital adequacy ratio was equal to 1.7.

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 in supervising the Bank.

As at 31 December 2025 and 31 December 2024 the Bank had complied with all 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 maximise 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.

The NBRK sets and monitors capital requirements for the Bank.

In accordance with the requirements set by the NBRK and effective from 1 January 2025, banks have to maintain:

- A ratio of core 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 (k1) of not less than 8%;
- 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) of not less than 9%;
- 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 (k2) of not less than 10.5%.

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

The following table shows the composition of the Bank's capital position calculated in accordance with the NBRK requirements as at 31 December 2025 and 31 December 2024:

	<i>31 December 2025</i>	<i>31 December 2024</i>
Tier 1 capital	768,881	542,203
Tier 2 capital	4,292	5,937
Total regulatory capital	773,173	548,140
Total risk-weighted statutory assets, contingent liabilities, operational and market risk	3,607,876	2,270,521
k1	15.5%	23.9%
k1-2	21.3%	23.9%
k2	21.4%	24.1%

*(millions of tenge)***30. Capital management (continued)**

The following table shows the composition of the capital position of Home Credit Bank JSC calculated in accordance with the NBRK requirements as at 31 December 2025:

	<i>31 December 2025</i>
Tier 1 capital	205,126
Tier 2 capital	–
Total regulatory capital	205.126
Total risk-weighted statutory assets, contingent liabilities, operational and market risk	1,369,361
k1	14.9%
k1-2	14.9%
k2	14.9%

As at 31 December 2025 Home Credit Bank JSC complied with all its externally imposed capital requirements.

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

31. 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 Kazakhstan economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the Government.

Management of the Bank believes that it is taking appropriate measures to support the sustainability of the Bank's business in the current circumstances.

Credit related commitments

The Group has contingent liabilities to provide credit resources. These credit related contingencies take the form of approved loan and credit card limits and overdraft facilities.

The Group provides bank guarantees and issues letters of credit to ensure that their customers' obligations to third parties are met. These agreements have fixed limits and generally extend for a period of up to five years. In providing financial guarantees, credit related commitments and letters of credit, the Group applies the same risk management policies and procedures used when issuing loans to customers.

In 2024 the Group made changes to the model for ECL calculations in accordance with IFRS 9 related to commitments on issued or confirmed non-financial guarantees (previously, IAS 37 applied to non-financial guarantees). As a result of application of an updated approach, the estimate of the ECL was increased by 622 million tenge.

The contractual amounts of credit related commitments are set out in the following table by category.

	<i>31 December 2025</i>	<i>31 December 2024</i>
Credit related commitments	1,266,061	436,126
Guarantees issued	204,894	129,406
Letters of credit	14,701	299
	1,485,656	565,831
Less: amounts due to customers held as security against letters of credit and guarantees (<i>Note 19</i>)	(14,482)	(257)
Less: allowance for expected credit losses	(3,038)	(1,645)
	1,468,136	563,929

*(millions of tenge)***31. Commitments and contingencies (continued)****Credit related commitments (continued)**

The following table provides information on the credit quality of guarantees issued and letters of credit at 31 December 2025:

	31 December 2025			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
CB				
Not overdue	127,318	6,085	–	133,403
Allowance for ECL	(3)	(6)	–	(9)
	127,315	6,079	–	133,394
SMB				
Not overdue	78,135	1,015	304	79,454
Overdue less than 30 days	3,413	–	142	3,555
Overdue 30-60 days	–	3	–	3
Overdue more than 60 days	–	–	1,608	1,608
Total	81,548	1,018	2,054	84,620
Allowance for ECL	(1)	(14)	(1,692)	(1,707)
	81,547	1,004	362	82,913
Credit institutions				
Not overdue	1,572	–	–	1,572
	1,572	–	–	1,572
	210,434	7,083	362	217,879

	31 December 2025			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
Credit institutions				
Rated from A- to A+	1,394	–	–	1,394
Rated from B to B+	178	–	–	178
Total	1,572	–	–	1,572
Allowance for ECL	–	–	–	–
	1,572	–	–	1,572

The following table provides information on the credit quality of guarantees issued and letters of credit as at 31 December 2024:

	31 December 2024			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
CB				
Not overdue	26,014	–	–	26,014
Allowance for ECL	(1)	–	–	(1)
	26,013	–	–	26,013
SMB				
Not overdue	92,125	782	1	92,908
Overdue less than 30 days	215	5	–	220
Overdue 30-60 days	–	37	–	37
Overdue more than 60 days	–	–	1,636	1,636
Total	92,340	824	1,637	94,801
Allowance for ECL	(27)	(2)	(1,615)	(1,644)
	92,313	822	22	93,157
Credit institutions				
Not overdue	8,890	–	–	8,890
	8,890	–	–	8,890
	127,216	822	22	128,060

	31 December 2024			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
Credit institutions				
- rated from A- to A+	3,157	–	–	3,157
- rated B+	3,737	–	–	3,737
- not rated	1,996	–	–	1,996
Total	8,890	–	–	8,890
Allowance for ECL	–	–	–	–
	8,890	–	–	8,890

Classification of guarantees issued and letters of credit by stages of the credit risk is based on the overdue status of unpaid commissions for such guarantees and letters of credit.

*(millions of tenge)***31. Commitments and contingencies (continued)****Credit related commitments (continued)**

The loan commitment agreements stipulate the right of the Group to unilaterally withdraw from the agreement should any conditions unfavourable to the Group arise, including deterioration of the borrower's financial condition, change of the refinance rate, inflation, exchange rates and other conditions.

The total outstanding contractual amount of commitments on issuance of loans, letters of credit and guarantees does not necessarily represent future cash requirements, as these commitments may expire or terminate without being funded.

Legal proceedings

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

Management is unaware of any significant current, pending or threatened claims against the Group.

Contingent tax liabilities

The taxation system in the Republic of Kazakhstan is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines and interest charges. The adequacy of tax assessment in the reporting period may be reviewed during the next five calendar years. However, under certain circumstances a tax year may remain open for a longer period of time.

These circumstances may create tax risks in the Republic of Kazakhstan that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Kazakhstan tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

32. Related party transactions**Remuneration of members of the Board of Directors and the Management Board**

Total remuneration to 13 members of the Management Board and Board of Directors (2024: 16 members) included in general and administrative expenses for 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Members of the Board of Directors and the Management Board of the Group	<u>2,639</u>	4,591
	<u>2,639</u>	<u>4,591</u>

As at 31 December 2025 the total amount of the Bank's liabilities to pay remuneration to members of the Board of Directors and the Management Board amounted to 659 million tenge (31 December 2024: 3,415 million tenge).

*(millions of tenge)***32. Related party transactions (continued)****Related party transactions**

Other related parties include key management personnel and entities jointly controlled by key management personnel. The outstanding balances and the related average effective interest rates as at 31 December 2025 and related profit or loss amounts of transactions for 2025 with related parties are as follows:

	2025						
	Shareholders		Entities under common control		Other related parties		Total
	<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>	<i>Average effective interest rate, (%)</i>	<i>In million tenge</i>
Assets							
Loans to customers	–	–	759	9%	34,898	18%	35,657
Allowance for ECL	–	–	–	–	(13)	–	(13)
Other assets	–	–	819	–	184	–	1,003
Liabilities							
Current accounts and deposits from customers	4,266	1%	53,394	6%	14,183	3%	71,843
Other liabilities	–	–	78	–	142	–	220
Credit related commitments	–	–	776	–	12,564	–	13,340
Guarantees issued	–	–	–	–	183	–	183
Income/(expenses)							
Interest income	–	–	40	–	4,801	–	4,841
Interest expense	–	(64)	(3,244)	–	(984)	–	(4,292)
Fee and commission income	–	3	51	–	99	–	153
Fee and commission expense	–	–	–	–	–	–	–
General and administrative expenses, less remuneration to KMP	–	–	(2,042)	–	(788)	–	(2,830)
Other income	–	–	–	–	1,035	–	1,035
Other expenses	–	–	–	–	(799)	–	(799)

*(millions of tenge)***32. Related party transactions (continued)****Related party transactions (continued)**

The outstanding balances and the related average effective rates as at 31 December 2024 and related profit or loss on transactions with related parties for 2024 are as follows:

	<i>2024</i>						
	<i>Shareholders</i>		<i>Entities under common control</i>		<i>Other related parties</i>		<i>Total</i>
	<i>Average effective interest rate, (%)</i>		<i>Average effective interest rate, (%)</i>		<i>Average effective interest rate, (%)</i>		
	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>	<i>In million tenge</i>
Assets							
Loans to customers	–	–	–	–	14,805	19%	14,805
Other assets	–	–	21	–	123	–	144
Liabilities							
Current accounts and deposits from customers	25,951	1%	30,475	11%	12,430	4%	68,856
Other liabilities	–	–	14	–	111	–	125
Credit related commitments	–	–	2,100	–	9	–	2,109
Guarantees issued	–	–	–	–	169	–	169
<i>2024</i>							
<i>Shareholders</i>		<i>Entities under common control</i>		<i>Other related parties</i>		<i>Total</i>	
Income/(expenses)							
Interest income		–		–	2,687		2,687
Interest expense		(101)		(2,778)	(2,664)		(5,543)
Fee and commission income		3		69	95		167
Fee and commission expense		–		(5)	–		(5)
General and administrative expenses, less remuneration to KMP		–		(3,054)	(533)		(3,587)
Other income		–		–	810		810
Other expenses		–		–	(536)		(536)

(millions of tenge)

33. Segment analysis

The Group has five reporting segments and business lines (“Other” segment is indicated separately with description of transactions, which are not related to activities of business lines). These segments/business lines offer a variety of products and services in the financial/banking area. The following is a brief description of transactions of each segment.

- Corporate business (CB) – includes issuance of loans, attracting deposits, settlement and cash services, transactions on guarantees and other transactions with corporate clients (large entities and individual entrepreneurs);
- Small and medium businesses (SMB) - extension of loans, deposit sourcing, settlement and cash services, transactions on guarantees and other transactions with small and medium business clients (legal entities (LE) and individual entrepreneurs (IE));
- Retail banking (RB) - extension of loans, deposit sourcing, settlement and cash services, exchange transactions and other transactions with retail clients (individuals);
- Investing activities – responsible for financing the Group’s operations (repo operations, raising funds from banks and credit institutions, issuance of bonds, subordinated debt), securities transactions, use of derivative financial instruments and foreign currency transactions;
- Other – other transactions with debtors/creditors on non-core activities, fixed assets, amounts on transit accounts and other transactions that are not related to segments/business lines (CB, SMB, RB, Investing activities).

Performance of each reportable segment is presented below. Performance results of segment/business line are evaluated on the basis of derived profit, which includes the effective management of a portfolio of borrowed and placed funds. Profit from segment/business line is used to measure performance. Pricing is performed on the basis of borrowing/placement rates approved by the authorised body of the Bank.

<i>31 December 2025</i>	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Total</i>
Assets						
Cash and cash equivalents	673	26,835	305,125	417,452	392,254	1,142,339
Amounts due from credit institutions	2,569	2,883	11,945	53,220	1,317	71,934
Securities at fair value through profit or loss	–	–	–	5,732	–	5,732
Loans to customers	898,401	766,355	2,000,011	–	22,005	3,686,772
Investment securities	–	–	–	984,942	–	984,942
Property and equipment	–	–	–	–	86,737	86,737
Intangible assets	–	–	–	–	43,314	43,314
Goodwill	–	–	–	26,364	–	26,364
Other assets	127	647	18,848	1,882	32,489	53,993
Total assets	901,770	796,720	2,335,929	1,489,592	578,116	6,102,127
Liabilities						
Current accounts and deposits from customers	1,186,303	1,217,149	1,889,238	–	38	4,292,728
Deposit certificates	–	–	106,122	–	–	106,122
Amounts due to banks and other credit institutions	73,314	81,160	17,365	159,973	–	331,812
Amounts payable under repurchase agreements	–	–	–	64,781	–	64,781
Debt securities issued	–	–	12,735	430,352	–	443,087
Subordinated debt	–	–	–	11,529	–	11,529
Deferred tax liabilities	–	–	–	–	3,117	3,117
Other liabilities	1,137	733	22,996	2,408	46,814	74,088
Total liabilities	1,260,754	1,299,042	2,048,456	669,043	49,969	5,327,264
Equity						
Share capital	–	–	–	–	332,815	332,815
Additional paid-in capital	–	–	–	–	240,920	240,920
Treasury shares	–	–	–	–	(315)	(315)
Fair value reserve	–	–	–	–	(54,277)	(54,277)
Retained earnings	–	–	–	–	255,720	255,720
Total equity attributable to shareholders of the Bank	–	–	–	–	774,863	774,863

*(millions of tenge)***33. Segment analysis (continued)**

Information on the main reporting segments for 2025 is presented as follows:

	2025					Elimina- tion	Total
	CB	SMB	RB	Investing activities	Other		
Interest income	101,053	126,830	258,413	179,928	15,218	–	681,442
Transfer income	110,117	119,703	124,258	75,241	9,157	(438,476)	–
Interest expense	(97,308)	(75,897)	(107,414)	(85,777)	(1,195)	–	(367,591)
Transfer expense	(68,319)	(76,857)	(122,167)	(171,672)	(405)	439,420	–
Net interest income	45,543	93,779	153,090	(2,280)	22,775	944	313,851
Fee and commission income	4,384	23,869	10,808	121	206	–	39,388
Fee and commission expense	(777)	(6,228)	(12,053)	(432)	149	–	(19,341)
Net loss from financial instruments at fair value through profit or loss	–	–	–	(40,649)	–	–	(40,649)
Net gains on derecognition of investment securities at fair value through other comprehensive income	–	–	–	1,398	–	–	1,398
Net gain/(loss) from foreign currencies	17,807	18,677	6,706	6,017	(223)	–	48,984
Share of profit of associates	–	–	–	2,547	–	–	2,547
Dividends received	–	–	–	471	–	–	471
Other income/(expense)	2,316	(3,041)	4,241	11,187	(5,928)	–	8,775
Non-interest income	23,730	33,277	9,702	(19,340)	(5,796)	–	41,573
Credit loss expenses/Reversal of allowance for expected credit losses	570	(1,691)	(26,598)	391	10,694	–	(16,634)
Net (loss) /gain on derecognition of financial assets measured at amortised cost	–	(4)	889	–	1,561	–	2,446
General and administrative expenses	(5,903)	(28,552)	(47,826)	(2,272)	(12,168)	–	(96,721)
Other (expense)/income	(2,119)	(1,882)	(10,479)	(3,330)	3,122	–	(14,688)
Non-interest expense	(7,452)	(32,129)	(84,014)	(5,211)	3,209	–	(125,597)
Other transfer income and expense	269	(4,384)	(2,569)	31,760	(24,132)	(944)	–
Profit/(loss) before corporate income tax expense	62,090	90,543	76,209	4,929	(3,944)	–	229,827
Corporate income tax expense	(10,308)	(15,031)	(12,651)	(818)	–	–	(38,808)
Profit/(loss) for the year	51,782	75,512	63,558	4,111	(3,944)	–	191,019

*(millions of tenge)***33. Segment analysis (continued)**

<i>31 December 2024</i>	<i>CB</i>	<i>SMB</i>	<i>RB</i>	<i>Investing activities</i>	<i>Other</i>	<i>Total</i>
Assets						
Cash and cash equivalents	418	26,485	32,545	790,699	95,853	946,000
Amounts due from credit institutions	10,317	1,862	1,386	86,313	600	100,478
Securities at fair value through profit or loss	–	–	–	2,888	–	2,888
Loans to customers	598,533	529,192	658,458	–	33,951	1,820,134
Investment securities	–	–	–	1,114,312	–	1,114,312
Property and equipment	–	–	–	–	54,232	54,232
Intangible assets	–	–	–	–	15,224	15,224
Other assets	78	249	179	43	37,119	37,668
Total assets	609,346	557,788	692,568	1,994,255	236,979	4,090,936
Liabilities						
Current accounts and deposits from customers	865,930	974,702	1,027,281	–	42	2,867,955
Amounts due to banks and other credit institutions	17,251	40,575	13,866	187	5,782	77,661
Amounts payable under repurchase agreements	–	–	–	435,394	–	435,394
Debt securities issued	–	–	20,311	51,533	–	71,844
Subordinated debt	–	–	–	14,389	–	14,389
Deferred tax liabilities	–	–	–	–	10,568	10,568
Other liabilities	123	380	4,427	13	39,998	44,941
Total liabilities	883,304	1,015,657	1,065,885	501,516	56,390	3,522,752
Equity						
Share capital	–	–	–	–	332,815	332,815
Additional paid-in capital	–	–	–	–	23,651	23,651
Treasury shares	–	–	–	–	(3,465)	(3,465)
Fair value reserve	–	–	–	–	30,201	30,201
Retained earnings	–	–	–	–	184,982	184,982
Total equity attributable to shareholders of the Bank	–	–	–	–	568,184	568,184

*(millions of tenge)***33. Segment analysis (continued)**

Information on the main reporting segments for 2024 may be presented as follows:

	2024						Total
	CB	SMB	RB	Investing activities	Other	Elimination	
Interest income	63,149	87,710	158,686	201,621	11,845	–	523,011
Transfer income	81,805	83,756	96,333	74,195	8,744	(344,833)	–
Interest expense	(66,753)	(44,855)	(73,628)	(73,411)	(1,635)	–	(260,282)
Transfer expense	(42,939)	(53,782)	(69,010)	(200,289)	(400)	366,420	–
Net interest income	35,262	72,829	112,381	2,116	18,554	21,587	262,729
Fee and commission income	2,382	21,821	11,432	253	182	–	36,070
Fee and commission expense	(695)	(5,398)	(7,218)	(344)	(24)	–	(13,679)
Net gains from financial instruments at fair value through profit or loss	–	–	–	14,604	–	–	14,604
Net gains on derecognition of investment securities at fair value through other comprehensive income	–	–	–	267	–	–	267
Net gains/(loss) from foreign currencies	9,519	16,873	5,862	(17,948)	(1,037)	–	13,269
Dividends received	–	–	–	499	–	–	499
Other income	29	1,938	750	36	1,439	–	4,192
Non-interest income	11,235	35,234	10,826	(2,633)	560	–	55,222
Reversal of allowance for expected credit losses/credit loss expenses	259	117	(41,901)	(690)	409	–	(41,806)
Net losses on modification of liability that results in derecognition	–	–	(3,593)	–	–	–	(3,593)
Net loss on derecognition of financial assets measured at amortised cost	–	–	(425)	–	(1,264)	–	(1,689)
General and administrative expenses	(4,569)	(25,767)	(41,435)	(1,544)	(13,968)	–	(87,283)
Other expenses	(44)	(1,372)	(4,131)	(176)	(3,514)	–	(9,237)
Non-interest expenses	(4,354)	(27,022)	(91,485)	(2,410)	(18,337)	–	(143,608)
Other transfer income and expense	585	(3,150)	(694)	41,144	(16,298)	(21,587)	–
Profit/(loss) before corporate income tax expense	42,728	77,891	31,028	38,217	(15,521)	–	174,343
Corporate income tax expense	(3,150)	(5,742)	(2,287)	(2,818)	–	–	(13,997)
Profit/(loss) for the year	39,578	72,149	28,741	35,399	(15,521)	–	160,346

*(millions of tenge)***34. Fair value of financial instruments****Accounting classifications and fair values**

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

<i>31 December 2025</i>					
<i>Assets and liabilities measured at fair value</i>	<i>Assets and liabilities whose fair value is disclosed</i>	<i>Total carrying amount</i>	<i>Fair value</i>	<i>Unrecognised gain/(loss)</i>	
Cash and cash equivalents	–	1,142,339	1,142,339	1,142,339	–
Amounts due from credit institutions	–	71,934	71,934	71,934	–
Securities at fair value through profit or loss	5,732	–	5,732	5,732	–
Loans to customers	–	3,686,772	3,686,772	3,675,327	(11,445)
Investment securities at fair value through other comprehensive income	944,944	–	944,944	944,944	–
Investment securities measured at amortised cost	–	39,998	39,998	38,614	(1,384)
Other financial assets	–	18,021	18,021	18,021	–
	950,676	4,959,064	5,909,740	5,896,911	(12,829)
Current accounts and deposits from customers	–	4,292,728	4,292,728	4,292,878	(150)
Deposit certificates	–	106,122	106,122	106,122	–
Amounts due to banks and other credit institutions	–	331,812	331,812	327,083	4,729
Amounts payable under repurchase agreements	–	64,781	64,781	64,781	–
Debt securities issued	–	443,087	443,087	439,111	3,976
Subordinated debt	–	11,529	11,529	11,529	–
Other financial liabilities	–	48,642	48,642	48,642	–
	–	5,298,701	5,298,701	5,290,146	8,555
				(4,274)	

*(millions of tenge)***34. Fair value of financial instruments (continued)****Accounting classification and fair value (continued)**

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

	<i>31 December 2024</i>				
	<i>Assets and liabilities measured at fair value</i>	<i>Assets and liabilities whose fair value is disclosed</i>	<i>Total carrying amount</i>	<i>Fair value</i>	<i>Unrecognised gain/(loss)</i>
Cash and cash equivalents	–	946,000	946,000	946,000	–
Amounts due from credit institutions	–	100,478	100,478	100,478	–
Securities at fair value through profit or loss	2,888	–	2,888	2,888	–
Loans to customers	–	1,820,134	1,820,134	1,836,681	16,547
Investment securities at fair value through other comprehensive income	1,055,883	–	1,055,883	1,055,883	–
Investment securities measured at amortised cost	–	58,429	58,429	55,785	(2,644)
Other financial assets	–	7,851	7,851	7,851	–
	<u>1,058,771</u>	<u>2,932,892</u>	<u>3,991,663</u>	<u>4,005,566</u>	<u>13,903</u>
Current accounts and deposits from customers	–	2,867,955	2,867,955	2,868,391	(436)
Amounts due to banks and other credit institutions	–	77,661	77,661	69,315	8,346
Amounts payable under repurchase agreements	–	435,394	435,394	435,394	–
Debt securities issued	–	71,844	71,844	70,883	961
Subordinated debt	–	14,389	14,389	12,354	2,035
Other financial liabilities	–	14,506	14,506	14,506	–
	<u>–</u>	<u>3,481,749</u>	<u>3,481,749</u>	<u>3,470,843</u>	<u>10,906</u>
					<u>24,809</u>

The estimate of fair value is intended to approximate the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. However, considering the uncertainties and the use of judgements, the fair value should not be interpreted as realisable within the framework of an immediate sale of assets or the transfer of liabilities.

The fair value of financial assets and financial liabilities that are traded in active markets is based on quoted market quotes or dealers' prices. The Group determines fair value of all other financial instruments using various valuation techniques.

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

Financial assets and liabilities in the above table are carried at amortised cost, except for securities at fair value through profit or loss with carrying amount of 5,732 million tenge (31 December 2024: 2,888 million tenge) and investment securities measured at FVOCI with carrying amount of 944,944 million tenge (31 December 2024: 1,055,883 million tenge).

(millions of tenge)

34. Fair value of financial instruments (continued)

Accounting classification and fair value (continued)

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and base interest rates, credit spreads and other adjustments used in estimating discount rates, shares and bonds quotations, and expected price movements and their comparison. Valuation techniques focused on determining the fair value, which reflects the value of a financial instrument as at the reporting date that would have been determined by independent market participants.

The Group uses widely recognised valuation techniques for determining the fair value of standard and more simple financial instruments, such as interest rate and currency swaps, and such techniques use only observable market data and do not require management judgements or estimates. Observable quotations and model inputs are usually available in the market for publicly traded debt and equity securities, derivatives traded on the stock exchange, as well as simple off-market financial derivatives, such as interest rate swaps.

The Group uses its own valuation models for more sophisticated instruments. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Certain loans and securities for which there is no active market can be an example of instruments the estimation of which is based on the use of unobservable inputs.

Assets for which fair value approximates carrying amount

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 their fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Financial assets and financial liabilities accounted for at amortised cost

Fair value of the quoted notes and bonds is based on price quotations at the reporting date. The fair value of unquoted instruments, loans to customers, customer deposits, amounts due from credit institutions, deposits of banks and other credit institutions, other financial assets and liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The following assumptions are used by the management to estimate the fair values of financial instruments:

- The discount rate in the range from 7.21% to 21.58% per annum was used to discount the future cash flows from US dollar denominated and tenge denominated loans to corporate customers (31 December 2024: 8.39% to 20.21% per annum);
- The fair value of securities issued denominated in tenge was calculated based on quoted market prices and denominated in US dollars using discount rates ranging from 4.1% to 4.27% per annum, respectively (31 December 2024: denominated in tenge based on quoted market prices and denominated in US dollars using discount rates ranging from 4.24% to 5.02% per annum);
- The fair value of subordinated debt is estimated based on market quotations (31 December 2024: market quotations).
- The discount rate in the range from 15.96% to 46.00% per annum was used to calculate the future cash flows from tenge denominated loans to individuals (31 December 2024: from 21.28% to 30.72% per annum);
- Market quotations were used to calculate the future cash flows from securities measured at amortised cost, denominated in US Dollars and tenge (31 December 2024: market quotations);
- The fair value of current accounts and deposits from customers approximates their fair value, taking account of the depositors' rights to withdraw their cash funds prior to maturity in accordance with the laws of the Republic of Kazakhstan (*Note 19*);
- The discount rate in the range from 16.0% to 19.5% per annum was used to calculate the future cash flows from deposit certificates;
- The discount rate in the range from 2% to 19.3% per annum was used to calculate the future cash flows from amounts due from credit institutions, deposits of banks and other credit institutions (31 December 2024: 3.25% to 20.08% per annum).

*(millions of tenge)***34. Fair value of financial instruments (continued)****Fair value hierarchy**

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: 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.

The following table analyses financial instruments carried at fair value as at 31 December 2025, by fair value hierarchy, into which the fair value measurement is categorised.

	<i>Note</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Assets					
Securities at fair value through profit or loss		–	1,616	4,116	5,732
Investment securities at fair value through other comprehensive income	16	179,673	765,271	–	944,944
		<u>179,673</u>	<u>766,887</u>	<u>4,116</u>	<u>950,676</u>

The following table analyses financial instruments carried at fair value as at 31 December 2024, by fair value hierarchy, into which the fair value measurement is categorised. The amounts are based on amounts carried in the consolidated statement of financial position.

	<i>Note</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Assets					
Securities at fair value through profit or loss		505	111	2,272	2,888
Investment securities at fair value through other comprehensive income	16	121,616	934,267	–	1,055,883
		<u>122,121</u>	<u>934,378</u>	<u>2,272</u>	<u>1,058,771</u>

As at 31 December 2025 KSF debt securities as well as bonds of the Ministry of Finance of the Republic of Kazakhstan measured at FVOCI in the amount of 83,675 million tenge and 652,906 million tenge, respectively, are classified in Level 2 of the fair value hierarchy (as at 31 December 2024: KSF debt securities and bonds of the Ministry of Finance of the Republic of Kazakhstan of 31,420 million tenge and 873,681 million tenge, respectively). These investment securities are considered for regulatory purposes as high-quality liquid assets, but are classified into Level 2 due to insufficient amount of transactions with these securities in an active market.

As at 31 December 2025 fair value of trading securities measured at fair value through profit or loss classified into Level 3 has been valued using the Free Cash flow method. The valuation model takes into account cash flows discounted at weighted average cost of capital.

The following table shows the reconciliation for 2025 with respect to fair value estimates assigned to Level 3 of the fair value hierarchy:

	<i>Securities at fair value through profit or loss</i>
At 1 January 2025	2,272
Net gain on financial instruments at fair value through profit or loss	1,844
At 31 December 2025	<u>4,116</u>

*(millions of tenge)***34. Fair value of financial instruments (continued)****Fair value hierarchy (continued)**

The following table shows the reconciliation for 2024 with respect to fair value estimates assigned to Level 3 of the fair value hierarchy:

	<i>Securities at fair value through profit or loss</i>
At 1 January 2024	2,272
Net gain on financial instruments at fair value through profit or loss	–
At 31 December 2024	<u>2,272</u>

The following table analyses financial instruments not measured at fair value as at 31 December 2025, by fair value hierarchy, into which the fair value measurement is categorised:

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total fair value</i>	<i>Total carrying amount</i>
Assets					
Cash and cash equivalents	–	1,142,339	–	1,142,339	1,142,339
Amounts due from credit institutions	–	71,934	–	71,934	71,934
Loans to customers	–	3,533,142	142,185	3,675,327	3,686,772
Investment securities measured at amortised cost	38,614	–	–	38,614	39,998
Other financial assets	–	18,021	–	18,021	18,021
Liabilities					
Current accounts and deposits from customers	–	4,292,878	–	4,292,878	4,292,728
Deposit certificates	–	106,122	–	106,122	106,122
Amounts due to banks and other credit institutions	–	327,083	–	327,083	331,812
Amounts payable under repurchase agreements	–	64,781	–	64,781	64,781
Debt securities issued	–	439,111	–	439,111	443,087
Subordinated debt	–	11,529	–	11,529	11,529
Other financial liabilities	–	48,642	–	48,642	48,642

*(millions of tenge)***34. Fair value of financial instruments (continued)****Fair value hierarchy (continued)**

The following table analyses financial instruments not measured at fair value as at 31 December 2024, by fair value hierarchy, into which the fair value measurement is categorised:

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total fair value</i>	<i>Total carrying amount</i>
Assets					
Cash and cash equivalents	–	946,000	–	946,000	946,000
Amounts due from credit institutions	–	100,478	–	100,478	100,478
Loans to customers	–	1,769,637	67,044	1,836,681	1,820,134
Investment securities measured at amortised cost	55,785	–	–	55,785	58,429
Other financial assets	–	7,851	–	7,851	7,851
Liabilities					
Current accounts and deposits from customers	–	2,868,391	–	2,868,391	2,867,955
Amounts due to banks and other credit institutions	–	69,315	–	69,315	77,661
Amounts payable under repurchase agreements	–	435,394	–	435,394	435,394
Debt securities issued	–	70,883	–	70,883	71,844
Subordinated debt	–	12,354	–	12,354	14,389
Other financial liabilities	–	14,506	–	14,506	14,506