Freedom Bank Kazakhstan JSC

Separate financial statements

for the year ended 31 December 2025
together with independent auditor's report

CONTENTS

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR PREPARATION AND APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2025

Management is responsible for the preparation of the separate financial statements that present fairly the financial position of the Freedom Bank Kazakhstan Joint Stock Company (hereinafter, the "Bank") as of 31 December 2025, and the related separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and of material accounting policies and notes to the separate financial statements (hereinafter "the separate financial statements") in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

In preparing the separate financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with specific requirements in IFRS Accounting Standards issued by IASB are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Bank's separate financial position and financial performance; and
- Making an assessment of the Bank's ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls, throughout the Bank;
- Maintaining adequate accounting records that are sufficient to show and explain the Bank's transactions and disclose with reasonable accuracy at any time the separate financial position of the Bank, and which enable them to ensure that the separate financial statements of the Bank comply with IFRS Accounting Standards, issued by IASB;
- Maintaining accounting records in compliance with the legislation of the Republic of Kazakhstan;
- Taking such steps that are reasonably available to them to safeguard the assets of the Bank; and
- Detecting and preventing fraud and other irregularities.

The separate financial statements of the Bank for the year ended 31 December 2025 were authorised for issue by the Management Board of the Bank on 30 April 2026 and are subject for subsequent approval by the Board of Directors and the Sole Shareholder in accordance with the requirements of the legislation of the Republic of Kazakhstan.

On behalf of the Management Board:

Akhmetova G.A.	Kubeyeva B.K.
Chairperson of the Management Board	Chief Accountant

30 April 2026
Almaty, Kazakhstan

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Independent auditor's report

To the Shareholder and Board of Directors of Freedom Bank Kazakhstan Joint Stock Company

Opinion

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

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with 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 *Auditor's responsibilities for the audit of the separate financial statements* section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in the Republic of Kazakhstan. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the separate financial statements* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying separate financial statements.

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Key audit matter	*How our audit addressed the key audit matter*
Allowance for expected credit losses on loans to customers	
Estimation of allowance for expected credit losses on loans to customers in accordance with IFRS 9 *Financial instruments* is a key area of the Bank's management judgement. Identification of factors of significant increase in credit risk since initial recognition of an asset, determination of probability of default and loss given default rates require significant use of professional judgement, assumption and analysis of various historical, current and forward-looking information. The use of different models and assumptions may significantly affect the amount of allowance for expected credit losses on loans to customers. Due to substantial amount of loans to customers and the significant use of professional judgement, estimation of allowance for expected credit losses was the key audit matter. Information on expected credit losses on loans to customers and the Bank's management approach to estimation of allowance for expected credit losses is presented in *Note 4 Significant accounting judgements and estimates*, *Note 7 Loans to customers* and *Note 34 Risk management* to the separate financial statements.	Our audit procedures included analysis of the methodology for estimation of expected credit losses on loans to customers. We also performed analysis and testing of controls on identification of factors of significant increase in credit risk since initial recognition of an asset and identification of default, including the period during which the debt is overdue and debt restructuring due to deterioration of credit quality of an asset. As part of our audit procedures we performed, on a sample basis, analysis of assumption and testing of input data used by the Bank in estimating the allowance for expected credit losses on loans to customers on a collective basis, which comprised market statistical data on debt repayment and expected recoveries in the event of default as a result of repossession of collateral. In respect of an individual assessment of allowance for expected credit losses we analysed, on a sample basis, financial and non-financial information on borrowers, as well as the scenarios used by the Bank in assessing the recoverable amount including expected recoveries from repossession of collateral. We also performed analysis of the forward-looking information, used by the Bank in its expected credit loss model, including macroeconomic data selection. We have compared the input data with information, available in open sources, and performed mathematical recalculation of the macro-adjustment factor. On a sample basis, we have recalculated the allowance for expected credit losses. We have analysed information on allowance for expected credit losses on loans to customers disclosed in the Notes to the separate financial statements.

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Other information included in The Bank's 2025 Annual Report

Other information consists of the information included in The Bank's 2025 Annual Report, other than the separate financial statements and our auditor's report thereon. Management is responsible for the other information.

The Bank's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

Responsibilities of management and the Board of Directors for the separate financial statements

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

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

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the separate financial statements

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The partner in charge of the audit resulting in this independent auditor's report is Olga Khegay.

Ernst & Young LLP

Olga Khegay Auditor	Rustamzhan Sattarov General Director Ernst & Young LLP
Auditor Qualification Certificate No. МФ-0000286 dated 25 September 2015	State Audit License for audit activities on the territory of the Republic of Kazakhstan: series МФЮ-2, № 0000003, issued by the Ministry of Finance of the Republic of Kazakhstan on 15 July 2005

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30 April 2026

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(In thousands of tenge, unless otherwise indicated)

	Note	*31 December 2025*	*31 December 2024**
Assets			
Cash and cash equivalents	5	**373,076,228**	254,681,637
Amounts due from financial institutions	6	**50,125,691**	47,518,955
Derivative financial assets		**–**	397,649
Trading securities	8	**478,326,932**	447,781,951
Trading securities pledged under repurchase agreements	8	**112,203,930**	718,557,781
Investment securities	9	**88,737,632**	37,236,674
Investment securities pledged under repurchase agreements	9	**381,240,525**	216,773,116
Loans to customers	7	**995,688,639**	766,612,520
Amounts due from the microfinance organisation	14	**9,627,264**	–
Property and equipment	10	**43,059,486**	26,921,975
Right-of-use assets	11	**3,810,281**	4,261,838
Intangible assets	12	**14,804,809**	8,844,404
Investments in subsidiaries	13	**4,124,561**	4,564,000
Current corporate income tax assets		**960,699**	230,844
Other assets	15	**23,782,151**	8,013,734
Total assets		2,579,568,828	2,542,397,078
Liabilities			
Derivative financial liabilities		**101,039**	–
Amounts payable under repurchase agreements	19	**470,655,418**	957,349,633
Amounts due to customers	18	**1,510,584,945**	1,083,571,305
Amounts due to financial institutions	17	**61,169,478**	26,535,020
Amounts payable to the mortgage organisation	22	**263,076,372**	248,307,105
Lease liabilities	21	**4,722,975**	4,844,101
Subordinated debt	20	**1,040,000**	1,000,000
Deferred corporate income tax liabilities	16	**2,265,494**	1,319,461
Other liabilities	23	**18,851,805**	11,236,620
Total liabilities		2,332,467,526	2,334,163,245
Equity			
Charter capital	24	**111,856,152**	87,356,148
Additional paid-in capital	24	**2,400,340**	2,400,340
Revaluation reserve for property and equipment	24	**1,872,135**	872,129
Retained earnings		**130,972,675**	117,605,216
Total equity		**247,101,302**	208,233,833
Total liabilities and equity		2,579,568,828	2,542,397,078

* *Certain amounts presented in this column are not consistent with the separate financial statements for the year ended 31 December 2024 as they reflect the reclassifications made, disclosed in detail in Note 2.*

On behalf of the Management Board:

Akhmetova G.A.
Chairperson of the Management Board

Kubeyeva D.K.
Chief Accountant

30 April 2026
Almaty, Kazakhstan

The notes on pages 7–70 form an integral part of these standalone financial statements.

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(In thousands of tenge, unless otherwise indicated)

	Note	*2025*	*2024**
Interest revenue calculated using effective interest rate	25	**185,735,112**	121,788,629
Interest revenue on financial assets at fair value through profit or loss	25	**67,375,683**	140,131,384
Interest expense	25	**(180,173,127)**	(188,771,655)
Net interest income before credit loss expense		**72,937,668**	73,148,358
Credit loss expense	26	**(6,724,389)**	(15,477,175)
Net interest income		**66,213,279**	57,671,183
Fee and commission income	27	**20,738,959**	32,111,804
Fee and commission expense	27	**(49,370,105)**	(28,834,266)
Net fee and commission (expense)/income		**(28,631,146)**	3,277,538
Net gains on financial instruments at fair value through profit or loss	28	**19,725,821**	39,585,972
Net gains/(losses) from foreign currencies:			
- dealing		**39,827,828**	30,065,766
- translation differences		**(5,194,399)**	(22,299,147)
Compensation of losses	14	**17,140,283**	–
Other income	29	**1,687,630**	614,103
Non-interest income		**73,187,163**	47,966,694
Personnel expenses	30	**(41,416,283)**	(31,523,538)
Administrative and other operating expenses	31	**(39,491,163)**	(24,647,133)
Loss on derecognition of financial assets	14	**(6,059,865)**	–
Impairment of investments in subsidiaries	13	**(606,777)**	–
Other expenses	29	**(188,771)**	(154,528)
Non-interest expense		**(87,762,859)**	(56,325,199)
Profit before corporate income tax expense		**23,006,437**	52,590,216
Corporate income tax expense	16	**(9,652,368)**	(176,113)
Profit for the year		**13,354,069**	52,414,103

The notes on pages 7–70 form an integral part of these separate financial statements.

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

For the year ended 31 December 2025

(In thousands of tenge, unless otherwise indicated)

	Note	*2025*	*2024**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Revaluation of property and equipment, net of corporate income tax		1,013,396	–
Total other comprehensive income not to be reclassified to profit or loss in subsequent periods		**1,013,396**	–
Other comprehensive income for the year, net of corporate income tax		**1,013,396**	–
Total comprehensive income for the year		**14,367,465**	52,414,103
Basic and diluted earnings per share (in tenge)	32	377.88	1,861.00

** Certain amounts presented in this column are not consistent with the separate financial statements for the year ended 31 December 2024 as they reflect the reclassifications made, disclosed in detail in Note 2.*

On behalf of the Management Board:

Akhmetova G.E.
Chairperson of the Management Board

30 April 2026
Almaty, Kazakhstan

Kubeyeva D.K.
Chief Accountant

ФРИДОМ FREEDOM BANK
Акционерное общество «Фридом Банк Казахстан»
РЕСПУБЛИКА КАЗАХСТАН

The notes on pages 7–70 form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(In thousands of tenge, unless otherwise indicated)

	Note	*Charter capital*	*Additional paid-in capital*	*Revaluation reserve for property and equipment*	*Retained earnings*	*Total equity*
31 December 2023		62,356,145	2,400,340	886,737	65,176,505	130,819,727
Profit for the year		–	–	–	52,414,103	52,414,103
Other comprehensive income for the year		–	–	–	–	–
Total comprehensive income for the year		–	–	–	52,414,103	52,414,103
Increase in charter capital	24	25,000,003	–	–	–	25,000,003
Depreciation of revaluation reserve for property and equipment		–	–	(14,608)	14,608	–
31 December 2024		87,356,148	2,400,340	872,129	117,605,216	208,233,833
Profit for the year		–	**–**	**–**	**13,354,069**	**13,354,069**
Other comprehensive income for the year		–	**–**	**1,013,396**	–	**1,013,396**
Total comprehensive income for the year		–	**–**	**1,013,396**	**13,354,069**	**14,367,465**
Increase in charter capital	24	**24,500,004**	–	–	**–**	**24,500,004**
Depreciation of revaluation reserve for property and equipment		**–**	–	**(13,390)**	**13,390**	–
31 December 2025		**111,856,152**	2,400,340	**1,872,135**	**130,972,675**	247,101,302

On behalf of the Management Board:

Akhmetova G.A.
Chairperson of the Management Board

Kubeyeva D.K.
Chief Accountant

30 April 2026
Almaty, Kazakhstan

The notes on pages 7–70 form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

(In thousands of tenge, unless otherwise indicated)

	Note	*2025*	*2024**
Cash flows from operating activities			
Interest received	25	252,346,623	252,984,009
Interest paid	25	(176,256,063)	(186,118,243)
Fee and commission received		20,629,082	11,991,468
Fee and commission paid		(49,378,818)	(8,815,073)
Net realised gains from financial instruments at fair value through profit or loss	28	47,373,213	105,406
Net realised gains from transactions with foreign currencies		39,827,828	30,065,766
Compensation for losses	14	7,054,969	-
Other income received		686,025	282,872
Dividends received	29	706,116	311,200
Personnel expenses paid		(39,780,056)	(27,136,375)
Administrative and other operating expenses paid		(28,089,655)	(20,166,616)
Cash flows from operating activities before changes in operating assets and liabilities		75,119,264	53,504,414
(Increase)/decrease in operating assets			
Amounts due from financial organisations		(3,725,057)	721,618
Derivative financial assets		92,446	1,165,229
Trading securities		515,678,849	89,345,579
Loans to customers		(238,666,878)	(172,222,691)
Other assets		(7,700,234)	726,422
Increase / (decrease) in operating liabilities			
Amounts due to financial institutions		34,208,083	4,395,950
Amounts due to customers		408,299,123	278,617,636
Accounts payable under repurchase agreements		(485,389,331)	(99,701,154)
Amounts payable to the mortgage organisation		14,769,267	23,521,143
Other liabilities		841,951	(278,949)
Net cash from operating activities before corporate income tax		313,527,483	179,795,197
Corporate income tax paid		(9,773,989)	(12,407)
Net cash flow from operating activities		303,753,494	179,782,790
Cash flows from investing activities			
Purchase of investment securities	9	(193,389,809)	(138,962,815)
Purchase of property and equipment		(20,455,111)	(15,537,608)
Proceeds from sale of property and equipment		554,046	–
Purchase of intangible assets		(6,802,053)	(4,528,691)
Proceeds from sale of intangible assets		20,138	–
Contribution to the charter capital of a subsidiary		–	(4,546,000)
Net cash used in investing activities		(220,072,789)	(163,575,114)

The notes on pages 7–70 form an integral part of these separate financial statements.

SEPARATE STATEMENT OF CASH FLOWS (continued)

(In thousands of tenge, unless otherwise indicated)

	Note	2025	2024*
Cash flows from financing activities			
Proceeds from issuance of shares	24	**24,500,004**	25,000,003
Repayment of principal portion of lease liabilities	21	**(1,428,281)**	(1,377,940)
Net cash from financing activities		**23,071,723**	23,622,063
Net increase in cash and cash equivalents		**106,752,428**	39,829,739
Effect of exchange rate changes on cash and cash equivalents		**11,744,463**	11,945,928
Effect of expected credit losses on cash and cash equivalents	5	**(102,300)**	(33,614)
Cash and cash equivalents, beginning		**254,681,637**	202,939,584
Cash and cash equivalents, ending	5	373,076,228	254,681,637

** Certain amounts presented in this column are not consistent with the separate financial statements for the year ended 31 December 2024 as they reflect the reclassifications made, disclosed in detail in Note 2.*

On behalf of the Management Board:

Akhmetova G.A.
Chairperson of the Management Board

Kubeyeva D.K.
Chief Accountant

30 April 2026
Almaty, Kazakhstan

The notes on pages 7–70 form an integral part of these separate financial statements.

(In thousands of tenge, unless otherwise indicated)

1. Principal activities

The Bank was registered on 31 July 2009 under the laws of the Republic of Kazakhstan. The Bank operates under a general banking license No. 1.1.260 issued by the Agency for Regulation and Development of Financial Market ("the Agency") dated 10 June 2011. On 25 June 2024, the Bank's licence for conducting banking and other operations No. 1.1.108 was reissued due to the change of name and completion of the re-registration procedure. This license replaces the previous licences. On 22 October 2022, the Agency issued to the Bank the license to conduct banking and other activities provided for in the banking legislation of the Republic of Kazakhstan and performing activities in the securities market. The Bank's activities are regulated by the Agency.

The Bank accepts deposits from the public and extends credit, transfers payments in the Republic of Kazakhstan and abroad, exchanges currencies and provides other banking services to its corporate entities and physical persons, who are clients of the Bank.

As at 31 December 2025, the Bank's branch network comprises 17 branches located in the Republic of Kazakhstan (31 December 2024: 16 branches). Registered address of the Bank's head office: Republic of Kazakhstan, Almaty, 61A; Kurmangazy Str.

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 2024, depositors can receive limited insurance coverage for deposits up to a maximum of KZT 20 million per deposit, depending on the amount of the deposit.

Starting from November 2015, the Bank is a member of Kazakhstan Stock Exchange foreign exchange market (the "KASE").

On 31 May 2018, the Bank established a subsidiary OUSA Nova Limited Liability partnership (OUSA Nova LLP) in accordance with the permission No. 17 dated 2 May 2018 of the National Bank of the Republic of Kazakhstan (hereinafter "NBRK") to establish a subsidiary by the Bank. Principal activities of OUSA Nova LLP are the acquisition of doubtful and bad assets of the Bank, ad sublease of real estate taken onto the books of the Bank.

On 7 October 2024, the authorised capital of the subsidiary of the Bank Freedom Bank Tajikistan CJSC in Tajikistan was replenished. The Subsidiary Bank operates based on a banking license No. 0000328, issued by the National Bank of Tajikistan on 10 October 2024. The main activities of the Bank are accepting deposits of the population, issuing loans, making transfers and other banking services.

In 2024, bonds of Freedom Bank Kazakhstan JSC were included in the official list of KASE. As at 31 December 2025 and 2024, trading in these bonds was not opened.

As of 31 December 2025 and 2024, sole shareholder of the Bank owning 100% of outstanding shares is Freedom Finance JSC (hereinafter - "the Parent").

The Bank is under the effective control of Mr. T.R. Turlov, who is the ultimate controlling party having the power to lead the Bank's activities at his sole discretion and on his own account.

These separate financial statements of the Bank were issued in addition to the consolidated financial statements of the Bank and its subsidiaries (hereinafter, the "Group"). The consolidated financial statements of the Group were approved for issue by the management of the Group on 30 April 2026.

These separate financial statements of the Bank for 2025 were authorised for issue by the Management Board of the Bank on 30 April 2026.

Geopolitical developments

As a result of the conflict between the Russian Federation and Ukraine, many countries have imposed and will continue to impose new sanctions against certain Russian entities and Russian citizens. Sanctions have also been imposed on the 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 thousands of tenge, unless otherwise indicated)

1. Principal activities (continued)

Geopolitical events (continued)

For the purpose of managing the country risk, the Bank controls transactions with counterparties within the limits set by the Bank's collegial body, which are reviewed regularly.

As at 31 December 2025, the concentration of amount due from Russian counterparties represented by cash and cash equivalents, less ECL allowance, amounted to KZT 17,139,916 thousand (31 December 2024: KZT 13,643,452 thousand).

Inflation and the current economic environment

The impact of the macroeconomic and geopolitical environment has exacerbated inflationary pressures in almost all economies of 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. In 2025, the inflation rate in the Republic of Kazakhstan was 12.3%, according to the NBKR.

On 1 December 2025, the Monetary Policy Committee of the NBRK made a decision to maintain the base rate to 18% per annum with an interest band of +/-1 pp.

The Bank continues to assess the effect of these events and changes in economic conditions on its operations.

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

2. Basis of preparation of the separate financial statements

General provisions

These separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The separate financial statements have been prepared on the historical cost basis except that financial instruments measured at fair value, changes in the value of which are recognised in profit or loss for the period, and property, plant and equipment (land and buildings) measured at revalued amount.

The Bank has presented items in the standalone statement of financial position in order of liquidity, based on its policies and the expected ability to recover or settle the majority of assets and liabilities for each respective line item in the separate financial statements. An analysis of the recovery or repayment within 12 months after the reporting date (current assets and current liabilities) and for more than 12 months after the reporting date (non-current assets and non-current liabilities) is presented in *Note 35*.

As of 31 December 2025, the Bank has negative liquidity position for maturities up to one year. The Bank manages liquidity risk by maintaining a portfolio of highly liquid assets, primarily comprising government securities, which can be readily liquidated to mitigate the impact of any disruption in cash flows, maintaining a diversified range of funding sources, and monitoring both forecast and actual cash flows and matching the maturities of financial assets and liabilities. Managing Bank's liquidity ensures the availability of cash and cash equivalents for operations and further investments through appropriate budgeting, as well as access to financial support from the Parent, if required.

As at the date of approval of these separate financial statements, management has a reasonable expectation that the Bank has adequate resources to continue as a going concern in the foreseeable future. Accordingly, these separate financial statements have been prepared on a going concern basis.

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

These separate financial statements are presented in thousands of Kazakh Tenge ("Tenge" or "KZT"), unless otherwise is stated.

(In thousands of tenge, unless otherwise indicated)

2. Basis of preparation of the separate financial statements (continued)

Reclassification

The following changes were made to the separate statement of financial position for the year ended 31 December 2024 to align it with the 2025 presentation format:

Separate statement of financial position as at 31 December 2024

	As previously reported	*Reclassification amount*	*Adjusted amount*
Assets			
Trading securities	–	447,781,951	447,781,951
Trading securities transferred in the form of security under repurchase agreements	–	718,557,781	718,557,781
Investment securities	1,420,349,522	(1,383,112,848)	37,236,674
Investment securities transferred in the form of security under repurchase agreements	–	216,773,116	216,773,116
Total assets	2,542,397,078	–	2,542,397,078

Separate statement of financial position as at 1 January 2024

	As previously reported	*Reclassification amount*	*Adjusted amount*
Assets			
Trading securities	–	241,128,089	241,128,089
Trading securities transferred in the form of security under repurchase agreements	–	969,247,342	969,247,342
Investment securities	1,311,897,043	(1,294,162,242)	17,734,801
Investment securities transferred in the form of security under repurchase agreements	–	83,786,811	83,786,811
Total assets	2,196,217,748	–	2,196,217,748

In 2025, the Bank decided to present trading securities, trading securities pledged as collateral under repurchase agreements, investment securities, and investment securities pledged as collateral under repurchase agreements as separate line items in the consolidated statement of financial position.

The following changes were made to the separate statement of profit or loss and other comprehensive income for the year ended 31 December 2024 to align it with the 2025 presentation format:

Separate statement of profit or loss and other comprehensive income for the year ended 31 December 2024

	As previously reported	*Reclassification amount*	*Adjusted amount*
Fee and commission income	–	32,111,804	32,111,804
Fee and commission expense	–	(28,834,266)	(28,834,266)
Net fee and commission income	3,277,538	–	3,277,538
Profit before corporate income tax expense	52,590,216	–	52,590,216
Profit for the year	52,414,103	–	52,414,103
Total comprehensive income for the year	52,414,103	–	52,414,103
Basic and diluted earnings per share (in tenge)	1,861.00	–	1,861.00

In 2025, the Bank decided to present fees and commission income and expenses in separate items of the separate statement of profit or loss and other comprehensive income. Management of the Bank believes that this presentation provides more useful information to users of the separate financial statements.

(In thousands of tenge, unless otherwise indicated)

2. Basis of preparation of the separate financial statements (continued)

Reclassification (continued)

The following changes were made to the separate statement of cash flows for the year ended 31 December 2024 to align it with the 2025 presentation format:

Separate statement of cash flows for the year ended 31 December 2024

	As previously reported	*Reclassification amount*	*Adjusted amount*
Other income received	594,072	(311,200)	282,872
Dividends received	–	311,200	311,200
Cash flows from operating activities before changes in operating assets and liabilities	53,504,414	–	53,504,414
Net cash flows from operating activities before corporate income tax	179,795,197	–	179,795,197
Net cash flow from operating activities	179,782,790	–	179,782,790
Net increase in cash and cash equivalents	39,829,739	–	39,829,739
Cash and cash equivalents, beginning of the year	202,939,584	–	202,939,584
Cash and cash equivalents, ending of the year	254,681,637	–	254,681,637

In 2025, the Bank decided to present other incomes received and dividends receive in separate items of the separate statements of cash flows.

Management of the Bank believes that this presentation provides more useful information to users of the separate financial statements.

3. Material accounting policies

Changes in accounting policies

The Bank applied for the first time certain amendments to standards, which are effective for annual periods beginning on or after 1 January 2025:

- Amendments to IAS 21 - *Effect of changes in foreign exchange rates.*

The new amendments did not have any impact on the separate financial statements of the Bank.

The Bank has not early adopted any standards, interpretations or amendment that has been issued but is not yet effective.

Fair value measurement

The Bank measures financial instruments at fair value through profit or loss (FVPL) and fair value through other comprehensive income (FVOCI), and non-financial assets such as investment property 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 such 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 Bank. 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 economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits either through the asset's highest and best use or through its sale to another market participant who would use the asset in its highest and best use.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Fair value measurement (continued)

The Bank 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank 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 assets and liabilities

Initial recognition

Date of recognition

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

The classification of financial instruments at initial recognition depends on their contractual terms and the business model 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 Bank 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;
- FVPL.

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

Date of recognition of the 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 other banks and other financial institutions, loans to customers, and investment securities measured at amortised cost.

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

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

The details of these conditions are outlined below.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Financial assets and financial liabilities (continued)

Initial recognition

Business model assessment

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

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

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- The expected frequency, value and timing of sales are also important aspects of the Bank's 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 Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The 'solely payments of principal and interest on the outstanding principal amount' test (the SPPI test)

As a second step of its classification process the Bank assesses the contractual terms of 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 Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

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 profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

Financial guarantees, letters of credit and undrawn loan commitments

The Bank issues financial guarantees, letters of credit and loan commitments.

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

Commitments to provide letters of credit are contractual commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer.

Similarly to financial guarantee contracts, the ECL measurement requirements apply. Undrawn loan commitments are commitments under which, over the duration of the commitment, the Bank is required to provide a loan with pre-specified terms to the customer. Loan commitments are described in IFRS 9 as firm commitments to provide credit under specified terms and conditions. The requirements for assessing ECL apply to such obligations.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Reclassification of financial assets and liabilities

The Bank does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Bank changes the business model for managing financial assets. Financial liabilities are never reclassified.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with the NBRK, amounts due from credit institutions and other financial organisations, and receivables from financial organisations arising from payment card transactions with original maturities of up to ninety days, that are not subject to any contractual restrictions.

Repurchase and reverse repurchase agreements and securities lending

Repurchase agreements are treated as secured financing transactions. Securities sold under repurchase agreements continue to be recognised in the standalone statement of financial position and are reclassified to securities pledged under repurchase agreements where the counterparty has the right to sell or re-pledge such securities, arising from the contractual terms or from generally accepted market practice. The associated liabilities are included in amounts due to credit institutions or customers. Securities purchased under reverse repurchase agreements ("reverse repurchase agreement") are recorded as amounts due from credit institutions or loans to customers as appropriate. The difference between the repurchase prices is treated as interest income and is accrued over the life of repurchase agreement using the effective interest method.

Derivative financial instruments

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

Financial assets are classified based on the business model and SPPI assessments.

Borrowings

Borrowings are classified as liabilities if, under a contractual arrangement, the Bank has an obligation either to deliver cash or another financial asset, or to settle the obligation in a manner other than by exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments. Such instruments include amounts due to the NBRK, amounts of banks and other financial institutions, amounts due to customers, other borrowings and subordinated loans. After initial recognition, borrowings are subsequently 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.

Leases

Bank as lessee

The Bank applies a single recognition and measurement approach for all leases, other than short-term leases and leases of low-value assets. The Bank recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Bank presents the right-of-use assets and lease liabilities as separate line items in the separate statement of financial position.

Right-of-use assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. If the Bank is not reasonably certain that the ownership of the leased asset will be transferred to the Group at the end of the lease term, the recognised right-of-use asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term. The right-of-use assets are subject to impairment.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Leases (continued)

Bank as lessee (continued)

Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in in-substance fixed payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Bank applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a contractual lease term of 12 months or less from the commencement date and do not contain a purchase option). The Bank also applies the low value assets lease recognition exemption to contracts of lease of office equipment whose value is considered to be low (i.e. less than 5,000 US dollars). Lease payments on short-term leases and leases of low-value assets are recognised as rent expense on a straight-line basis over the lease term.

Offsetting of financial instruments

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

- The normal course of business;
- In the event of default; and
- The event of insolvency or bankruptcy of the Company or any of its counterparties

This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the separate statement of financial position.

Renegotiated loans

Where possible, the Bank seeks to restructure loans rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions.

The Bank derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless the new loan is deemed to be POCI. When assessing whether or not to derecognise a loan to a customer, amongst others, the Bank considers the following factors:

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

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Renegotiated loans (continued)

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate ("EIR"), the Bank recognises a modification gain or loss, which is presented as a separate line item in the separate statement of comprehensive income, prior to the recognition of any impairment loss.

For modifications not resulting in derecognition, the Bank also reassesses whether here has been a significant increase in credit risk or whether the assets should be classified as credit impaired. Once an asset has been classified as credit-impaired as the result of modification, it will remain in Stage 3 for a minimum 6-month probation period. In order for the restructured loan to be reclassified out of Stage 3, regular payments of more than an insignificant amount of principal or interest have been made during at least half of the probation period in accordance with the modified payment schedule.

Derecognition of financial assets and liabilities

Financial assets

Financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised when:

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

A financial asset is derecognised when it has been transferred, and the transfer qualifies for derecognition. The transfer requires that the Bank either: (a) has transferred the contractual rights to receive the cash flows from the asset; or (b) has retained the rights to the cash flows from the asset but has assumed a contractual obligation to pay those cash flows to a third party. After the transfer, the Bank reassesses the extent to which it has retained the risks and rewards of ownership of the transferred asset. If substantially all the risks and rewards have been retained, the asset continues to be recognised in the separate statement of financial position. If substantially all the risks and rewards have been transferred, the asset is derecognised. If neither substantially all the risks and rewards are retained nor transferred, the Bank assesses whether control over the asset has been retained. If control has not been retained, the asset is derecognised. If the Bank retains control over the asset, the Bank continues to recognise the asset to the extent of its continuing involvement.

Write-offs

Financial assets are written off either partially or in their entirety only when the Bank has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent reversals are charged to credit loss expenses. A write-off constitutes a derecognition event.

Financial liabilities

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

When 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. The difference in the respective carrying amounts is recognised in profit or loss.

Taxation

The current income tax expense is calculated in accordance with the regulations of the Republic of Kazakhstan.

Deferred tax assets and liabilities are calculated in respect of temporary differences using the liability method. Deferred income taxes are provided for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except where the deferred income tax arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Taxation (continued)

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax laws that have been enacted or substantively enacted at the reporting date.

Deferred income tax is recognised for temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, except when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

In addition, various operating taxes in the Republic of Kazakhstan apply to the Bank's operations. These taxes are included as a component of other operating expenses.

Property and equipment

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

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

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

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus is credited to the revaluation reserve for property and equipment included in other comprehensive income, except to the extent that it reverses a revaluation decrease of the same asset previously recognised within profit or loss. In which case an increase in the asset is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the surplus in the revaluation reserve for property and equipment.

An annual transfer from the revaluation reserve for property and equipment to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Upon disposal, the relevant amount included within revaluation reserve is transferred to retained earnings.

Depreciation of an asset begins when it is available for use. Depreciation is calculated on a straight-line basis over the following estimated useful lives.

	Years
Buildings	25-65
Furniture and office equipment	5-25
Computers	5-10
Motor vehicles	10
Leasehold improvements	2-3

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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

Intangible assets

Intangible assets include computer software and licenses.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Intangible assets (continued)

Intangible assets with finite lives are amortised over the useful economic lives of 1 to 25 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation periods and methods for intangible assets with indefinite useful lives are reviewed at least at each financial year-end.

Investments in subsidiaries

Investments in subsidiaries are accounted for in the Bank's separate financial statements at cost less impairment allowance. The Bank assesses at each reporting date whether there is any indication that investments in subsidiaries may be impaired. If any indication exists, the management estimates the recoverable amount, which is the greater of an asset's fair value (the price that can be received on the sale of the asset or paid on the transfer of a liability in a voluntary transaction between market participants at the measurement date; the existence of quoted prices in an active market is the best evidence of fair value) less costs to sell and its value in use (i.e., net present value in the future of cash flows).

Provisions

Provisions are recognised when, as a result of a past event, the Bank has a present legal or constructive obligation, the settlement of which is expected, with a high degree of probability, to result in an outflow of resources embodying future economic benefits, and the amount of the obligation can be measured reliably.

Charter capital

Common shares are presented within the charter capital. Costs of third-party services directly attributable to the issue of new shares, other than on a business combination, are recognised 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 recognised as charter capital.

Additional paid-in capital

Gains or losses arising from the derecognition of liabilities to the Parent due to the legal release from the obligation are treated as transactions with owners and are recognised in additional paid-in capital.

Segment reporting

Operating segment information provided to the Bank's chief operating decision maker is based on the separate financial statements prepared in accordance with IFRS. Management of the Bank determines banking activities as single material transaction and reporting segment.

The Bank's revenue is derived primarily from external customers in the Republic of Kazakhstan, and no single customer accounts for 10% or more of the Bank's total revenue.

Contingent asset and liabilities

Contingent liabilities are not recognised in the separate statement of financial position but are disclosed unless the possibility of an outflow of resources in settlement is remote. A contingent asset is not recognised in the separate statement of financial position but disclosed when an inflow of economic benefits is probable.

Recognition of income and expenses

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

Interest and similar income and expense

The Bank calculates interest revenue 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 financial assets. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses. The carrying amount of the financial asset or financial liability is adjusted if the Bank revises its estimates of payments or receipts.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Recognition of income and expenses (continued)

Interest and similar income and expense (continued)

The adjusted carrying amount is calculated based on the original EIR and the change in carrying amount is recorded as interest income or expense

When a financial asset becomes credit-impaired, the Bank calculates interest revenue 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 Bank reverts to calculating interest revenue on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Bank calculates interest revenue 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 revenue on all financial assets at FVTPL is recognised using the contractual interest rate in "Other interest income" in the separate statement of profit or loss and other comprehensive income.

Fee and commission income

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

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

Fee and commission income obtained for rendering the services during a certain period of time are accrued during this period. These items include commission income and fees for the issuance of guarantees and letters of credit. 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.

Fee and commission income from providing transaction services

Fees and commission income arising from settlement transactions, transactions with cash and other services are recognised on completion of the underlying transaction. Fees or component incomes of fees that are linked to a certain performance 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 program

The Bank operates the "Freedom" customer loyalty programme, under which cashback is awarded to customers on payment transactions carried out using payment cards. The accrual of cashback does not give rise to a separate performance obligation, as the cashback represents a reduction of the consideration for the underlying payment transaction. Cashback amounts are recognised as a reduction of fee and commission income from payment card transactions.

Fee and commission income is recognised net of cashback in the amount expected to be credited to customers in accordance with the programme terms at the time the relevant payment transaction occurs.

Net gains on financial instruments measured at FVTPL

Net gains on financial instruments measured at FVTPL include all gains and losses arising from changes in the fair value of financial assets and financial liabilities held for trading. The realised result from changes in fair value is determined as the difference between the disposal price of the financial asset and its fair value at the date of initial recognition. The unrealised result from changes in fair value reflects the change in the fair value of financial assets during the reporting period in respect of assets that remained in the Bank's portfolio as at the reporting date.

(In thousands of tenge, unless otherwise indicated)

3. Material accounting policies (continued)

Foreign currency translation

The separate financial statements are presented in thousand Tenge, which is the Bank's presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Gains and losses arising on translation of foreign currency transactions are recognised in the separate statement of comprehensive income as 'Net gains/(losses) on foreign currency transactions'. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates 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.

As at the reporting date, the assets and liabilities of foreign subsidiaries are translated into the Bank's presentation currency at the exchange rates prevailing at the date of the separate statement of financial position, and the statements of profit or loss of subsidiaries are translated at the average exchange rates for the year. The resulting translation difference is recognised directly in a separate component of equity. On disposal of a foreign subsidiary, the cumulative amount of deferred exchange differences recognised in equity and attributable to that subsidiary is recognised in the separate statement of profit or loss and other comprehensive income.

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

4. Significant accounting judgments and estimates

Estimation uncertainty

In the process of applying the Bank's accounting policies, management has used its judgement and made estimates in determining the amounts recognised in the separate 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 separate 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. Inputs to such models are determined based on observable market data where available; otherwise, judgement is required to determine fair value. More details are provided in *Note 35*.

Fair value of loans issued under the "Baspana 7-20-25" and "Keng Dala" programmes

Management of the Bank applied professional judgement in determining the fair value of mortgage loans issued under the "Baspana 7-20-25" programme, as well as loans granted to the agricultural sector under the "Keng Dala" programme.

These loan products are provided on terms that differ from those of the Bank's standard lending products, including lower interest rates. Management of the Bank believes that such loan products constitute distinct lending market segments characterised by specific terms and target group of borrowers.

In view of the aforesaid, the Bank resolved that issuance of indicated credits had been performed on the main market, for respective financial instruments and on terms that are customary for market participants at the date of initial recognition.

Accordingly, the consideration paid by borrowers under the above programmes is regarded as reflecting the fair value of the respective loans at the date of their initial recognition, and no additional fair value adjustment is required.

Expected credit losses (ECL)

The measurement of expected impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining the ECL and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances for ECL. The Bank's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. For the purposes of ECL calculation, the Bank classifies financial assets into collective basis, grouped depending on the general characteristics of credit risk, and individual basis.

(In thousands of tenge, unless otherwise indicated)

4. Significant accounting judgments and estimates (continued)

Estimation uncertainty (continued)

Elements of the ECL models that are considered accounting judgements and estimates include:

- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis;
- The segmentation of the Bank's financial assets when their ECL is assessed on a collective basis;
- Development of ECLs calculation models, including various formulas and selection of input data;
- Identification of relationships between macroeconomic data and their impact on probability of default (PD) and loss given default (LGD) indicators, considering collateral realization periods and debt recovery timelines;
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model.

Following judgements and estimations are applied to the separate financial statements:

- Qualitative criteria for deterioration in the borrower's financial condition;
- Cash flow forecasts and expected timing for borrowers exhibiting indicators of a significant increase in credit risk and impairment.

The amount of the ECL allowance recognised in the separate statement of financial position as at 31 December 2025 was KZT 28,905,808 thousand (31 December 2024: KZT 21,260,164 thousand). More details are provided in *Note 7*.

(In thousands of tenge, unless otherwise indicated)

5. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	31 December 2025	*31 December 2024*
Cash on hand	**42,113,212**	22,449,431
Cash in transit	**1,231,745**	686,477
Cash on current accounts with the NBRK	**120,888,563**	75,607,685
Cash on current accounts in other banks	**65,259,212**	69,146,117
Requirements for financial institutions in respect of payment card transactions	**78,827,418**	59,200,253
Funds on current accounts with "Central Securities Depository" JSC	**8,772**	9,112
Cash on current accounts with brokerage organisations	**5,693,722**	277,576
Term deposits with NBRK with contractual maturity of 90 days or less:	**–**	15,005,937
Accounts receivable under reverse repurchase agreements with contractual maturity of 90 days or less	**59,270,470**	12,399,265
Cash and cash equivalents before deduction of the allowance under ECL	**373,293,114**	254,781,853
Allowance for ECL	**(216,886)**	(100,216)
Total cash and cash equivalents	**373,076,228**	254,681,637

As at 31 December 2025, the Bank entered into reverse repurchase agreements with a carrying amount of KZT 59,270,470 thousand at KASE (31 December 2024: KZT 12,399,265 thousand). Subject of the referred agreements is the bonds of the Ministry of Finance of the Republic of Kazakhstan and shares of Kazakh corporations, with the total fair value of KZT 59,245,567 thousand (31 December 2024: shares of Kazakh corporations with the fair value of KZT 12,635,321 thousand).

As at 31 December 2025, the concentration of amount due from Russian counterparties represented by cash and cash equivalents, less ECL allowance, amounted to KZT 17,139,916 thousand (31 December 2025: KZT 13,643,452 thousand).

As at 31 December 2025 and 2024, all balances of cash and cash equivalents are allocated to Stage 1 for ECL measurement purposes.

Minimum reserve requirements

In accordance with regulations issued by the NBRK, minimum reserve requirements are calculated as a percent of specified liabilities. Banks are required to comply with these requirements by maintaining an average level of reserve assets (cash in national currency and funds on current accounts with the NBRK), equal to or exceeding the average minimum reserve requirements. As at 31 December 2025, combined minimum reserve requirements of the Bank amount to KZT 93,015,289 thousand (31 December 2024: KZT 18,146,267 thousand), the amount of reserve assets amounted to KZT 123,511,157 thousand (31 December 2024: KZT 37,007,493 thousand).

Below is an analysis of changes in the allowance for ECL on cash and cash equivalents for the years ended 31 December:

	2025	*2024*
At 1 January	**(100,216)**	(131,148)
Net change for the year (*Note 26*)	**(102,300)**	(33,614)
Foreign exchange adjustments	**(14,370)**	64,546
At 31 December	**(216,886)**	(100,216)

(In thousands of tenge, unless otherwise indicated)

6. Amounts due from financial institutions

Amounts due from financial institutions comprise:

	31 December 2025	*31 December 2024*
Amounts held as collateral with financial institutions	**50,218,925**	47,595,535
Term deposit in foreign bank	**1,302,373**	1,170,868
Amounts due from financial institutions before ECL allowance	**51,521,298**	48,766,403
Allowance for ECL	**(1,395,607)**	(1,247,448)
Total amounts due from financial institutions	**50,125,691**	47,518,955

As at 31 December 2025, amounts provided as a collateral include MasterCard system participant insurance deposit amounting to KZT 20,575,037 thousand (31 December 2024: KZT 14,150,502 thousand), an insurance deposit of a Visa International system participant amounting to KZT 13,230,362 thousand (31 December 2024: KZT 5,427,252 thousand); funds placed with a second-tier bank for settlements with MasterCard and Visa International amounting to KZT 758,295 thousand (31 December 2024: KZT 787,665 thousand); a deposit serving as collateral for the Bank's obligations to the Kazakhstan Stock Exchange (KASE) amounting to KZT 14,534,425 thousand (31 December 2024: KZT 26,666,600 thousand); funds held with the National Bank of the Republic of Kazakhstan to guarantee money transfers resulting from clearing and payment acceptance in the instant payment system amounting to KZT 400,000 thousand (31 December 2024: KZT 300,000 thousand); as well as other insurance deposits amounting to KZT 720,806 thousand (31 December 2024: KZT 263,516 thousand).

As at 31 December 2025 and 2024, term deposit in the foreign bank denominated in EUR has contractual maturity of 90 days and interest rate 1.0% per annum.

As at 31 December 2025, term deposit in foreign bank is classified as Stage 3 for ECL measurement purposes. The ECL allowance recognised by the Bank in respect of such deposit is KZT 1,302,272 thousand (31 December 2024: KZT 1,170,868 thousand).

Below is an analysis of changes in the allowance for ECL on funds placed with financial institutions for the year ended 31 December 2025:

	Stage 1	*Stage 3*	*Total*
ECL as at 1 January 2025	**(76,580)**	**(1,170,868)**	**(1,247,448)**
Net change for the year (*Note 26)*	**36,100**	**–**	**36,100**
Foreign exchange adjustments	**(52,754)**	**(131,505)**	**(184,259)**
ECL as at 31 December 2025	**(93,234)**	**(1,302,373)**	**(1,395,607)**

Below is an analysis of changes in the allowance for ECL on funds placed with financial institutions for the year ended 31 December 2024:

	Stage 1	*Stage 3*	*Total*
ECL as at 1 January 2024	(107,811)	(1,036,241)	(1,144,052)
Net change for the year (*Note 26)*	32,798	(42,556)	(9,758)
Foreign exchange adjustments	(1,567)	(92,071)	(93,638)
ECL at 31 December 2024	(76,580)	(1,170,868)	(1,247,448)

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers

As at 31 December 2025 and 2024, loans to customers comprise:

	31 December 2025	*31 December 2024*
Corporate loans		
Loans to legal entities under the credit facilities	**149,727,337**	66,618,719
Loans secured by cash collaterals	**11,928,049**	17,782,801
Others	**15,492,787**	1,196,372
Total loans to corporate customers	**177,148,173**	85,597,892
Retail lending		
Mortgage	**544,713,858**	425,093,109
Loans to individual entrepreneurs	**97,608,879**	118,418,510
Auto lending	**75,826,695**	84,810,600
Loans acquired from microfinance organisations	**102,836,950**	70,989,131
Loans to the individual entrepreneurs under the credit facilities	**4,417,686**	963,626
Refinancing	**3,380,960**	1,105,551
Credit cards	**605,210**	626,194
Others	**18,056,000**	268,071
Total loans to retail clients	**847,446,238**	702,274,792
Loans to customers before ECL allowance	**1,024,594,411**	787,872,684
Allowance for ECL	**(28,905,772)**	(21,260,164)
Total loans to customers	**995,688,639**	766,612,520

Other corporate loans mainly include loans to legal entities under the "Digital Loan" product. Other retail loans mainly include unsecured consumer loans granted to individuals.

Analysis of movements in gross carrying amount and respective ECL

Below is an analysis of changes in gross carrying amount and relevant ECL on corporate loans for the year ended 31 December 2025:

Corporate loans	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount at 1 January 2025	**83,420,4**	**–**	**2,177,4**	**85,597,8**
Transfer to Stage 1	**1,463,0**	**(1,463,08**	**–**	**–**
Transfer to Stage 2	**(1,194,30**	**2,370,6**	**(1,176,34**	**–**
Transfer to Stage 3	**(1,023,03**	**(891,54**	**1,914,5**	**–**
New assets originated or purchased	**235,630,6**	**72,1**	**–**	**235,702,8**
Derecognised or repaid assets (excluding write-offs)	**(143,577,81**	**(111,32**	**(1,342,12**	**(145,031,25**
Unwind of discount	**–**	**–**	**43,4**	**43,4**
Change in accrued interest	**852,5**	**51,5**	**(39,27**	**864,7**
Write-offs	**–**	**–**	**–**	**–**
Foreign exchange adjustments	**(29,46**	**–**	**–**	**(29,46**
Gross carrying amount as at 31 December 2025	**175,542,0**	**28,3**	**1,577,7**	**177,148,1**

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Analysis of movements in gross carrying amount and respective ECL (continued)

Corporate loans	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
ECL as at 1 January 2025	**(672,064)**	**–**	**(208,614)**	**(880,678)**
Transfer to Stage 1	**(45,254)**	**45,254**	**–**	**–**
Transfer to Stage 2	**79,464**	**(97,332)**	**17,868**	**–**
Transfer to Stage 3	**927**	**158,271**	**(159,198)**	**–**
New assets originated or purchased	**(1,819,401)**	**(13,984)**	**–**	**(1,833,385)**
Derecognised or repaid assets (excluding write-offs)	**1,100,214**	**21,565**	**453,607**	**1,575,386**
Impact on ECL of exposures transferred between stages and changes to models and inputs	**(252,490)**	**(124,742)**	**(563,788)**	**(941,020)**
Unwind of discount	**–**	**–**	**(43,430)**	**(43,430)**
Foreign exchange adjustments	**78**	**–**	**–**	**78**
ECL as at 31 December 2025	**(1,608,526)**	**(10,968)**	**(503,555)**	**(2,123,049)**

Below is an analysis of changes in gross carrying amount and relevant ECL on retail loans for the year ended 31 December 2025:

Retail lending	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount at 1 January 2025	**679,612,046**	**6,703,946**	**15,958,800**	**702,274,792**
Transfer to Stage 1	**20,742,389**	**(20,606,671)**	**(135,718)**	**–**
Transfer to Stage 2	**(61,080,600)**	**63,985,250**	**(2,904,650)**	**–**
Transfer to Stage 3	**(3,924,829)**	**(21,613,529)**	**25,538,358**	**–**
New assets originated or purchased	**504,791,819**	**–**	**–**	**504,791,819**
Derecognised or repaid assets (excluding write-offs)	**(322,815,302)**	**(20,287,339)**	**(14,075,832)**	**(357,178,473)**
Unwind of discount	**–**	**–**	**4,488,438**	**4,488,438**
Change in accrued interest	**710,333**	**586,330**	**(624,874)**	**671,789**
Write-offs	**–**	**–**	**(7,701,512)**	**(7,701,512)**
Recoveries	**–**	**–**	**99,385**	**99,385**
Gross carrying amount as at 31 December 2025	**818,035,856**	**8,767,987**	**20,642,395**	**847,446,238**

Retail lending	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
ECL as at 1 January 2025	**(8,711,614)**	**(2,421,660)**	**(9,246,212)**	**(20,379,486)**
Transfer to Stage 1	**(3,386,101)**	**3,338,057**	**48,044**	**–**
Transfer to Stage 2	**5,586,342**	**(6,478,923)**	**892,581**	**–**
Transfer to Stage 3	**134,442**	**9,433,934**	**(9,568,376)**	**–**
New assets originated or purchased	**(8,335,705)**	**–**	**–**	**(8,335,705)**
Derecognised or repaid assets (excluding write-offs)	**3,583,949**	**6,084,722**	**8,634,857**	**18,303,528**
Impact on ECL of exposures transferred between stages and changes to models and inputs	**(312,774)**	**(13,453,422)**	**(5,718,553)**	**(19,484,749)**
Unwind of discount	**–**	**–**	**(4,488,438)**	**(4,488,438)**
Write-offs	**–**	**–**	**7,701,512**	**7,701,512**
Recoveries	**–**	**–**	**(99,385)**	**(99,385)**
ECL as at 31 December 2025	**(11,441,461)**	**(3,497,292)**	**(11,843,970)**	**(26,782,723)**

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Analysis of movements in gross carrying amount and respective ECL (continued)

Below is an analysis of changes in gross carrying amount and relevant ECL on corporate loans for the year ended 31 December 2024:

Corporate loans	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount At 1 January 2024	2,445,359	2,321	–	2,447,680
Transfer to Stage 1	–	–	–	–
Transfer to Stage 2	–	–	–	–
Transfer to Stage 3	(1,676,634)	(649)	1,677,283	–
New assets originated or purchased	91,263,641	649	509,219	91,773,509
Derecognised or repaid assets (excluding write-offs)	(8,701,590)	(2,321)	(9,055)	(8,712,966)
Foreign exchange adjustments	89,669	–	–	89,669
Gross carrying amount as at 31 December 2024	83,420,445	–	2,177,447	85,597,892

Corporate loans	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
ECL as at 1 January 2024	(1,649)	(1,370)	–	(3,019)
Transfer to Stage 1	–	–	–	–
Transfer to Stage 2	314	(314)	–	–
Transfer to Stage 3	109,385	314	(109,699)	–
New assets originated or purchased	(947,147)	–	–	(947,147)
Derecognised or repaid assets (excluding write-offs)	9,922	1,370	–	11,292
Impact on ECL of exposures transferred between stages and changes to models and inputs	157,676	–	(98,915)	58,761
Foreign exchange adjustments	(565)	–	–	(565)
ECL at 31 December 2024	(672,064)	–	(208,614)	(880,678)

Below is an analysis of changes in gross carrying amount and relevant ECL on retail loans for the year ended 31 December 2024:

Retail lending	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount as at 1 January 2024	608,424,521	3,227,665	8,404,761	620,056,947
Transfer to Stage 1	6,094,802	(6,094,802)	–	–
Transfer to Stage 2	(20,771,557)	23,092,977	(2,321,420)	–
Transfer to Stage 3	(8,777,831)	(12,341,767)	21,119,598	–
New assets originated or purchased	285,129,297	–	–	285,129,297
Derecognised or repaid assets (excluding write-offs)	(190,487,186)	(1,180,127)	(3,455,900)	(195,123,213)
Write-offs	–	–	(7,788,239)	(7,788,239)
Gross carrying amount as at 31 December 2024	679,612,046	6,703,946	15,958,800	702,274,792

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Analysis of movements in gross carrying amount and related ECL (continued)

Retail lending	***Stage 1***	***Stage 2***	***Stage 3***	***Total***
ECL as at 1 January 2024	(7,709,690)	(1,049,889)	(5,310,143)	(14,069,722)
Transfer to Stage 1	(894,523)	894,523	–	–
Transfer to Stage 2	814,162	(1,401,901)	587,739	–
Transfer to Stage 3	573,835	4,710,189	(5,284,024)	–
New assets originated or purchased	(6,075,381)	–	–	(6,075,381)
Derecognised or repaid assets (excluding write-offs)	3,479,926	453,153	736,187	4,669,266
Impact on ECL of exposures transferred between stages and changes to models and inputs	1,100,057	(6,027,735)	(7,764,210)	(12,691,888)
Write-offs	–	–	7,788,239	7,788,239
ECL at 31 December 2024	(8,711,614)	(2,421,660)	(9,246,212)	(20,379,486)

Concentration of loans to customers

As at 31 December 2025 and 2024, the Bank's ten largest borrowers accounted for 7% of the total gross loans to customers before deduction of the allowance for ECL. As at 31 December 2025, the total carrying amount of these loans amounted to KZT 76,243,548 thousand (31 December 2024: KZT 57,294,792 thousand). As at 31 December 2025, the allowance for ECL in respect of the aforementioned loans amounted to KZT 551,647 thousand (31 December 2024: KZT 551,102 thousand).

Loans were mainly issued to customers located within the Republic of Kazakhstan, who operate in the following economic sectors:

	31 December 2025		***31 December 2024***	
	Amount	***%***	***Amount***	***%***
Individuals	**745,419,673**	**72.75%**	582,892,656	73.98%
Wholesale and retail	**101,087,482**	**9.87%**	81,605,086	10.36%
Manufacturing industry	**49,551,954**	**4.84%**	25,910,656	3.29%
Transport and storage	**28,940,965**	**2.82%**	13,824,815	1.75%
Construction	**20,143,378**	**1.97%**	19,625,282	2.49%
Encashment	**17,836,479**	**1.74%**	9,651,269	1.22%
Real estate transactions	**14,827,731**	**1.45%**	12,016,041	1.53%
Agriculture, forestry and fisheries	**6,469,721**	**0.63%**	5,396,660	0.68%
Education	**4,721,211**	**0.46%**	4,991,767	0.63%
Health and social services	**3,716,201**	**0.36%**	1,508,800	0.19%
Professional, scientific and technical activities	**2,505,344**	**0.24%**	1,987,316	0.25%
Mining industry and quarrying	**1,687,579**	**0.16%**	1,688,101	0.21%
Art, entertainment and recreation	**1,366,985**	**0.13%**	1,278,263	0.16%
Information and communication	**1,317,265**	**0.13%**	1,042,299	0.13%
Others	**25,002,443**	**2.45%**	24,453,673	3.13%
Loans to customers before deduction of the allowance for ECL	**1,024,594,411**	**100%**	787,872,684	100%
Allowances for ECL	**(28,905,772)**	**–**	(21,260,164)	–
Total loans to customers	**995,688,639**	**–**	766,612,520	–

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Collateral and other credit enhancements

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

The main types of collateral obtained are as follows:

- For corporate loans - guarantees and sureties, real estate, vehicles, and cash.
- For retail loans - guarantees and sureties, real estate, vehicles, and cash.

The Bank monitors the market value of collateral obtained during its review of the adequacy of the allowance for expected credit losses.

In the absence of collateral or other credit enhancement mechanisms, the ECL on loans granted to Stage 3 customers as at 31 December 2025 and 2024 would have been higher by:

	31 December 2025	**31 December 2024**
Loans to retail customers	**5,016,482**	4,872,708
Loans to corporate customers	**1,074,161**	1,968,833
	6,090,643	6,841,541

Loans acquired from microfinance organisations

In May 2021, the Bank entered into an agreement with Microfinance Organisation Freedom Finance Credit LLP (the "MFO"), a related party of the Bank, for the assignment of claims under unsecured loans granted on the basis of microloan agreements concluded with borrowers, by which the MFO transfers to the Bank the rights of claim under such microloans. Upon initial recognition, the Bank recognises the rights of claim under microloans at fair value, as determined by an independent valuation company (Note 14).

As at 31 December 2024, the limit on the total value of rights of claim under microloans was set at maximum KZT 130,000,000 thousand. As at 31 December 2025, agreement with MFO was terminated.

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Quality of loans to customers

The table below provides information about quality of loans to customers as of 31 December 2025:

Loans to customers	*Not past due*	*Past due for less than 30 days*	*Past due from 30 to 89 days*	*Past due from 90 to 179 days*	*Past due for more than 180 days and less than 1 year*	*Past due for more than 1 year*	*Total*
Mortgage							
Stage 1	531,178,170	6,159,828	70,678	–	–	–	537,408,676
Stage 2	334,954	115,837	2,489,346	–	–	–	2,940,137
Stage 3	1,765,020	291,734	254,076	864,706	855,835	333,674	4,365,045
Loans granted under credit facilities to legal entities and individual entrepreneurs							
Stage 1	153,185,980	11,429	–	–	–	–	153,197,409
Stage 3	947,614	–	–	–	–	–	947,614
Loans acquired from microfinance organisations							
Stage 1	96,427,122	3,589,105	219,861	–	–	–	100,236,088
Stage 2	1,724	252	2,435,177	–	–	–	2,437,153
Stage 3	16,404	4,979	8,424	133,902	–	–	163,709
Loans to individual entrepreneurs							
Stage 1	83,160,201	2,899,224	6,804	–	–	–	86,066,229
Stage 2	24,481	–	2,582,073	–	–	–	2,606,554
Stage 3	1,713,313	386,588	546,944	2,433,430	2,566,898	1,288,923	8,936,096
Auto lending							
Stage 1	67,103,107	1,272,014	60,851	–	–	–	68,435,972
Stage 2	20,371	3,191	639,993	–	–	–	663,555
Stage 3	599,416	112,877	172,833	685,019	1,312,569	3,844,454	6,727,168
Refinancing							
Stage 1	3,111,347	53,127	–	–	–	–	3,164,474
Stage 2	–	–	49,418	–	–	–	49,418
Stage 3	39,836	–	–	64,402	45,359	17,471	167,068
Credit cards							
Stage 1	294,794	29,506	135	–	–	–	324,435
Stage 2	–	–	28,783	–	–	–	28,783
Stage 3	2,641	1,247	4,537	104,428	68,665	70,474	251,992
Loans secured by cash collaterals							
Stage 1	11,928,049	–	–	–	–	–	11,928,049
Others							
Stage 1	32,385,274	429,492	1,802	–	–	–	32,816,568
Stage 2	–	–	70,781	–	–	–	70,781
Stage 3	83,399	5,184	230,860	159,919	181,426	650	661,438
Total loans to customers before ECL allowance	984,323,217	15,365,614	9,873,376	4,445,806	5,030,752	5,555,646	1,024,594,411
Allowance for ECL	(13,932,804)	(1,630,512)	(4,278,435)	(2,909,470)	(3,091,085)	(3,063,466)	(28,905,772)
Total loans to customers	970,390,413	13,735,102	5,594,941	1,536,336	1,939,667	2,492,180	995,688,639

(In thousands of tenge, unless otherwise indicated)

7. Loans to customers (continued)

Quality of loans to customers

The table below provides information about quality of loans to customers as of 31 December 2024:

	Not past due	*Past due for less than 30 days*	*Past due from 30 to 89 days*	*Past due from 90 to 179 days*	*Past due more than 180 days and less than 1 year*	*Past due for more than 1 year*	*Total*
Mortgage							
Stage 1	415,816,291	4,854,613	–	–	–	–	420,670,904
Stage 2	437,892	167,975	1,159,896	–	–	–	1,765,763
Stage 3	988,698	207,344	133,062	636,210	556,330	134,798	2,656,442
Loans granted under credit facilities to legal entities and individual entrepreneurs							
Stage 1	65,396,864	–	–	–	–	–	65,396,864
Stage 3	2,185,481	–	–	–	–	–	2,185,481
Loans acquired from microfinance organisations							
Stage 1	67,036,133	2,441,220	62,944	–	–	–	69,540,297
Stage 2	7,356	–	1,423,424	–	–	–	1,430,780
Stage 3	4,560	742	11,157	1,593	2	–	18,054
Loans to individual entrepreneurs							
Stage 1	106,179,607	2,777,542	328	–	–	–	108,957,477
Stage 2	21,044	8,352	2,523,475	–	–	–	2,552,871
Stage 3	707,182	159,132	255,819	3,877,815	1,671,198	237,016	6,908,162
Auto lending							
Stage 1	75,767,357	1,869,819	45,846	–	–	–	77,683,022
Stage 2	95,476	17,756	816,650	–	–	–	929,882
Stage 3	661,686	67,974	132,338	913,889	2,027,630	2,394,179	6,197,696
Refinancing							
Stage 1	1,085,555	4,464	–	–	–	–	1,090,019
Stage 2	–	–	6,682	–	–	–	6,682
Stage 3	–	–	–	8,850	–	–	8,850
Credit cards							
Stage 1	420,627	26,387	299	–	–	–	447,313
Stage 2	–	–	17,968	–	–	–	17,968
Stage 3	360	55	1,024	23,849	86,776	48,849	160,913
Loans secured by cash collaterals							
Stage 1	17,782,801	–	–	–	–	–	17,782,801
Others							
Stage 1	1,463,794	–	–	–	–	–	1,463,794
Stage 3	–	–	–	649	–	–	649
Total loans to customers before ECL allowance	756,058,764	12,603,375	6,590,912	5,462,855	4,341,936	2,814,842	787,872,684
Allowance for ECL	(9,804,607)	(1,122,725)	(2,685,322)	(3,809,540)	(2,472,002)	(1,365,968)	(21,260,164)
Total loans to customers	746,254,157	11,480,650	3,905,590	1,653,315	1,869,934	1,448,874	766,612,520

(In thousands of tenge, unless otherwise indicated)

8. Trading securities

Trading securities comprise:

	31 December 2025	*31 December 2024*
Debt securities at fair value through profit or loss		
Bonds of the Ministry of Finance of the Republic of Kazakhstan	**258,404,863**	792,207,098
Bonds of quasi-government corporations	**242,970,113**	294,112,789
Bonds of foreign corporations	**52,602,749**	17,984,628
Bonds of Kazakh corporations	**16,443,276**	16,418,251
Bonds of the US Treasury Department	**13,829,705**	34,889,343
Total debt securities at fair value through profit or loss	**584,250,706**	1,155,612,109
Equity securities at fair value through profit and loss		
Bonds of Kazakh corporations	**6,280,156**	10,727,623
Total equity securities at fair value through profit or loss	**6,280,156**	10,727,623
Total trading securities	**590,530,862**	1,166,339,732

As at 31 December 2025, the Bank pledged bonds of quasi-government corporations with a total fair value of KZT 91,254,209 thousand and bonds of foreign corporations with a total fair value of KZT 20,949,721 thousand, classified as trading securities, as collateral under repurchase agreements concluded on the KASE *(Note 19)*.

As at 31 December 2024, the Bank pledged bonds of quasi-government corporations with a total fair value of KZT 241,619,354 thousand, bonds of the Ministry of Finance of the Republic of Kazakhstan with a total fair value of KZT 475,348,070 thousand, and bonds of foreign corporations with a total fair value of KZT 1,590,357 thousand, classified as trading securities, as collateral under repurchase agreements concluded on the KASE *(Note 19)*.

In 2025, the total financial result on trading securities included dividend income amounting to KZT 706,116 thousand (2024: KZT 311,200 thousand), presented within the item “Other income” *(Note 29)*, and a negative foreign exchange revaluation included in “Net gains/(losses) on foreign currency transactions” in the separate statement of profit or loss and other comprehensive income, amounting to KZT 2,092,130 thousand (2024: positive revaluation of KZT 12,874,467 thousand).

(In thousands of tenge, unless otherwise indicated)

9. Investment securities

Investment securities comprise:

	31 December 2025	*31 December 2024*
Debt securities measured at amortised cost		
Bonds of the Ministry of Finance of the Republic of Kazakhstan	**454,612,855**	254,215,096
Bonds of quasi-government corporations	**15,614,424**	–
Total debt securities at amortised cost before ECL allowance	**470,227,279**	254,215,096
Allowance for ECL	**(249,122)**	(205,306)
Total debt securities measured at amortised cost	**469,978,157**	254,009,790

Bonds of quasi-government corporations are represented by bonds of a subsidiary of the NBRK, which carries out the repurchase of mortgage loans granted to individuals not related to entrepreneurial activities.

As at 31 December 2025, the Bank pledged bonds of the Ministry of Finance of the Republic of Kazakhstan with a total fair value of KZT 357,974,848 thousand as collateral under repurchase agreements concluded on the KASE *(Note 19)* (31 December 2024: KZT 246,031,521 thousand).

As at 31 December 2025 and 2024 all balances of investment securities at amortised cost are allocated to Stage 1 for ECL measurement purposes.

Below is an analysis of changes in the gross carrying amount and the related expected credit losses (ECL) on investment securities:

Investment securities measured at amortised cost	***2025***	***2024***
Gross carrying amount at 1 January	**254,215,096**	101,602,739
Assets purchased	**193,389,809**	138,962,815
Net change in accrued interest	**22,622,374**	13,649,542
At 31 December	**470,227,279**	254,215,096

Investment securities measured at amortised cost	***2025***	***2024***
ECL at 1 January	**(205,306)**	(81,127)
Net change for the year (*Note 25)*	**(43,816)**	(124,179)
At 31 December	**(249,122)**	(205,306)

(In thousands of tenge, unless otherwise indicated)

10. Property and equipment

Movement in property and equipment is presented as follows:

	Land	*Buildings*	*Furniture and office equipment*	*Computers*	*Vehicles*	*Leasehold improvements*	*Total*
Cost/revalued cost							
At 31 December 2023	460,004	4,112,003	4,392,287	4,881,693	65,899	2,351,467	16,263,353
Additions	–	6,280,032	2,728,363	3,601,608	119,537	2,361,604	15,091,144
Disposals	–	–	(41,693)	(11,195)	–	(3,003)	(55,891)
At 31 December 2024	460,004	10,392,035	7,078,957	8,472,106	185,436	4,710,068	31,298,606
Additions	**–**	**2,868**	**4,101,917**	**13,826,800**	**–**	**893,973**	**18,825,558**
Disposals	**–**	**–**	**(469,018)**	**(232,754)**	**–**	**(110,170)**	**(811,942)**
Effect of remeasurement recognised in other comprehensive income	**611,588**	**520,017**	**–**	**–**	**–**	**–**	**1,131,605**
Effect of remeasurement recognised in profit or loss	**–**	**128,551**	**–**	**–**	**–**	**–**	**128,551**
At 31 December 2025	**1,071,592**	**11,043,471**	**10,711,856**	**22,066,152**	**185,436**	**5,493,871**	**50,572,378**
Accumulated depreciation:							
At 31 December 2023	–	(74,312)	(1,033,455)	(1,113,484)	(18,973)	(257,008)	(2,497,232)
Charge	–	(75,743)	(594,361)	(666,425)	(9,578)	(574,761)	(1,920,868)
Disposals	–	-	33,617	4,942	-	2,910	41,469
At 31 December 2024	–	(150,055)	(1,594,199)	(1,774,967)	(28,551)	(828,859)	(4,376,631)
Charge	**–**	**(69,535)**	**(668,622)**	**(1,832,709)**	**(18,544)**	**(1,045,349)**	**(3,634,759)**
Disposals	**–**	**–**	**63,916**	**214,992**	**–**	**–**	**278,908**
Effect of remeasurement recognised in other comprehensive income	**–**	**219,590**	**–**	**–**	**–**	**–**	**219,590**
At 31 December 2025	**–**	**–**	**(2,198,905)**	**(3,392,684)**	**(47,095)**	**(1,874,208)**	**(7,512,892)**
Carrying amount:							
At 31 December 2023	460,004	4,037,691	3,358,832	3,768,209	46,926	2,094,459	13,766,121
At 31 December 2024	460,004	10,241,980	5,484,758	6,697,139	156,885	3,881,209	26,921,975
At 31 December 2025	**1,071,592**	**11,043,471**	**8,512,951**	**18,673,468**	**138,341**	**3,619,663**	**43,059,486**

As at 31 December 2024, the increase in buildings amounting to KZT 6,277,740 thousand was attributable to the acquisition of premises for the purpose of opening a branch in the city of Astana.

(In thousands of tenge, unless otherwise indicated)

10. Property, plant and equipment (continued)

In 2025, the Bank carried out revaluation of fair value of the land and buildings under ownership of the Bank. Fair value was determined using market valuation methods. Date of measurement - 31 October 2025. More details about the fair value of land and buildings are disclosed in *Note 35*.

If land and buildings had been accounted for at historical cost, the carrying amount of these items of property, plant and equipment as at 31 December would have been:

	31 December 2025	*31 December 2024*
Initial cost	**9,416,085**	9,413,217
Accumulated depreciation	**(1,085,294)**	(876,985)
Carrying amount	**8,330,791**	8,536,232

As at 31 December 2025, the historical cost of fully depreciated assets that remain in use by the Bank amounted to KZT 904,097 thousand (31 December 2024: KZT 886,009 thousand).

11. Right-of-use assets

The movement of right-of-use assets were as follows:

	Buildings
Initial cost:	
At 31 December 2023	3,762,393
Additions	1,382,437
Disposals	(275,111)
Modifications	1,169,484
At 31 December 2024	6,039,203
Additions	**1,615,819**
Disposals	**(1,024,816)**
Modifications	**603,358**
At 31 December 2025	**7,233,564**
Accumulated depreciation:	
At 31 December 2023	(638,897)
Charge	(1,292,075)
Disposals	153,607
At 31 December 2024	(1,777,365)
Charge	**(1,866,201)**
Disposals	**220,283**
At 31 December 2025	**(3,423,283)**
Carrying amount:	
At 31 December 2024	4,261,838
At 31 December 2025	**3,810,281**

As at 31 December 2025 and 2024, the Bank leases buildings with the maximum contract lease term up to 5 years.

(In thousands of tenge, unless otherwise indicated)

12. Intangible assets

The movement of intangible assets was as follows:

	Software	*Software under development*	*Licenses*	*Total*
Initial cost:				
At 31 December 2023	5,759,212	97,515	208	5,856,935
Additions	1,839,038	2,563,256	–	4,402,294
Transfers between categories	361,120	(361,120)	–	–
At 31 December 2024	7,959,370	2,299,651	208	10,259,229
Additions	**3,049,139**	**3,478,469**	**–**	**6,527,608**
Disposals	**(20,138)**	**–**	**–**	**(20,138)**
Transfers between categories	**645,412**	**(645,412)**	**–**	**–**
At 31 December 2025	**11,633,783**	**5,132,708**	**208**	**16,766,699**
Accumulated depreciation:				
At 31 December 2023	(1,091,604)	–	(208)	(1,091,812)
Charge	(323,013)	–	–	(323,013)
At 31 December 2024	(1,414,617)	–	(208)	(1,414,825)
Charge	**(569,102)**	**–**	**–**	**(569,102)**
Disposals	**22,037**	**–**	**–**	**22,037**
At 31 December 2025	**(1,961,682)**	**–**	**(208)**	**(1,961,890)**
Carrying amount:				
At 31 December 2023	4,667,608	97,515	–	4,765,123
At 31 December 2024	6,544,753	2,299,651	–	8,844,404
At 31 December 2025	**9,672,101**	**5,132,708**	**–**	**14,804,809**

The bank continues to make investments to the intangible assets under digital transformation and enhance operational efficiency. As at 31 December 2025 and 2024, software under development mainly comprises a mobile application and internet banking for legal entities and individual entrepreneurs, software related to the "Digital Mortgage" and "Digital Loan for Legal Entities" credit products, card issuing systems, and digital channels for customer interaction. As at 31 December 2025 and 2024, the Group did not identify impairment of the software under development.

13. Investments in subsidiaries

Investments in subsidiaries are presented as follows:

	Country	*Sector*	*31 December 2025*	*31 December 2024*
OUSA Nova LLP	Kazakhstan	Management of doubtful and bad assets	**18,000**	18,000
Freedom Bank Tajikistan CJSC	Tajikistan	Bank	**4,106,561**	4,546,000
Total			**4,124,561**	4,564,000

On 31 May 2018, the Bank established a subsidiary OUSA Nova Limited Liability Partnership ("OUSA Nova LLP") in accordance with the permission No. 17 dated 2 May 2018 of the National Bank of the Republic of Kazakhstan (hereinafter "NBRK") to establish a subsidiary by the Bank.

(In thousands of tenge, unless otherwise indicated)

13. Investments in subsidiaries (continued)

On 7 October 2024, the authorised capital of the subsidiary Bank Freedom Bank Tajikistan CJSC in Tajikistan was replenished. The Subsidiary Bank operates based on a banking license No. 0000328, issued by the National Bank of Tajikistan on 10 October 2024.

As at 31 December 2025, the Bank performed an impairment assessment of its investments in subsidiaries for indicators of impairment. As a result of the assessment, the Bank recognised an impairment loss on investments in subsidiaries in the amount of KZT 606,777 thousand.

14. Amounts due from the microfinance organisation

In 2025, the Group acquired portfolio of retail consumer loans from the related party Microfinance Organisation Freedom Finance Credit LLP for the amount of KZT 108,896,815 thousand. In accordance with the terms of the assignment agreement, the Group had the right to resell the loans on any grounds within the established limit. On 30 December 2025, the Group terminated the assignment agreement and derecognised credits from microfinance organisations. Loss from derecognition of such loans amounted to KZT 6,059,865 thousand. On 31 December 2025, the Group entered into an agreement with Microfinance Organisation Freedom Finance Credit LLP for the payment of a penalty in respect of incurred losses amounting to KZT 12,120,028 thousand. The terms of the agreement provide for instalment payment of the penalty over a period of two years. As a result, the Group recognised income from loss compensation amounting to KZT 10,085,314 thousand.

As at 31 December 2025, the receivable from the microfinance organisation was not past due and amounted to KZT 10,085,314 thousand. The allowance for ECL recognised in respect of the aforementioned receivables amounted to KZT 458,050 thousand.

In addition, in 2025 the Group entered into an agreement with Microfinance Organisation Freedom Finance Credit LLP to compensate losses on previously acquired loans and recognised income amounting to KZT 7,054,969 thousand in the consolidated statement of profit or loss and other comprehensive income. As at 31 December 2025, this receivable was fully repaid.

15. Other assets

Other assets comprise:

	31 December 2025	*31 December 2024*
Other accounts receivable from bank activities	**3,106,658**	2,663,207
Accounts receivables on transactions with securities from KASE	**2,229,692**	2,353,884
Accounts receivables on transactions with securities from related parties	**1,454,849**	–
Insurance coverage asset on the loan portfolio	**5,170,136**	–
Receivables from sale of property on an instalment basis	**–**	101,027
Receivable from a related party for assets sold	**886,565**	–
Other	**895,014**	1,028,639
Total financial assets before allowance for ECL	**13,742,914**	6,146,757
Allowance for ECL	**(3,418,253)**	(3,235,681)
Total other financial assets	**10,324,661**	2,911,076
Allowance for ECL	**5,140,331**	–
Prepaid other administrative expenses	**4,390,840**	2,897,342
Property, plants and equipment and intangible assets	**3,145,148**	1,383,280
Inventories	**730,195**	713,001
Taxes prepaid other than corporate income tax	**8,425**	108,496
Other	**42,551**	539
Total other non-financial assets	**13,457,490**	5,102,658
Total other assets	**23,782,151**	8,013,734

(In thousands of tenge, unless otherwise indicated)

15. Other assets (continued)

As at 31 December 2025, receivables from securities transactions included amounts due from KASE and a brokerage firm in respect of coupon income on securities amounting to KZT 3,684,541 thousand (31 December 2024: KZT 2,353,884 thousand).

In June 2025, the Bank insured a portfolio of loans granted to individual entrepreneurs with a total gross carrying amount of KZT 73,518,211 thousand. In accordance with IFRS 9, as the insurance contract is not an integral part of the loan agreements and is not linked to the initial recognition of the related loans to customers, the contract is accounted for as a separate asset, provided that receipt of insurance compensation is practically certain in the event of a credit loss on the respective loans.

In accordance with the terms of the insurance contract, the outstanding principal amount as at the date of occurrence of the insured event is subject to indemnification. As at 31 December 2025, the carrying amount of the insurance indemnification asset was assessed at KZT 5,170,136 thousand. As at 31 December 2025, prepaid expenses under the aforementioned insurance contract amounted to KZT 5,140,331 thousand.

As at 31 December 2025, other assets classified as Stage 3 for ECL measurement purposes, amounting to KZT 3,591,024 thousand, comprised receivables from banking activities and other receivables (31 December 2024: KZT 3,335,180 thousand). As at 31 December 2025, the allowance for expected credit losses (ECL) recognised in respect of the aforementioned receivables amounted to KZT 2,862,812 thousand (31 December 2024: KZT 3,196,979 thousand).

Below is an analysis of changes in gross carrying amount and relevant ECL on other financial assets for the year ended 31 December 2025 and 2024:

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount as at 1 January 2025	**2,743,599**	**67,978**	**3,335,180**	**6,146,757**
Transfer to Stage 1	**11,585**	**(2,722)**	**(8,863)**	**–**
Transfer to Stage 2	**(318,485)**	**318,578**	**(93)**	**–**
Transfer to Stage 3	**(657,560)**	**(134,834)**	**792,394**	**–**
New assets originated or purchased	**8,478,092**	**–**	**–**	**8,478,092**
Derecognised or repaid assets (excluding write-offs)	**(203,453)**	**(150,888)**	**(172,003)**	**(526,344)**
Write-offs	**–**	**–**	**(318,836)**	**(318,836)**
Foreign exchange adjustments	**–**	**–**	**(36,755)**	**(36,755)**
Gross carrying amount as at 31 December 2025	**10,053,778**	**98,112**	**3,591,024**	**13,742,914**

	Stage 1	*Stage 2*	*Stage 3*	*Total*
ECL as at 1 January 2025	**(14,364)**	**(24,338)**	**(3,196,979)**	**(3,235,681)**
Transfer to Stage 1	**(10,224)**	**1,361**	**8,863**	**–**
Transfer to Stage 2	**196,173**	**(196,266)**	**93**	**–**
Transfer to Stage 3	**12,342**	**105,361**	**(117,703)**	**–**
New assets originated or purchased	**(665,375)**	**–**	**–**	**(665,375)**
Derecognised or repaid assets (excluding write-offs)	**9,076**	**17,168**	**154,868**	**181,112**
Impact on ECL resulting from transfers between stages and changes to models and inputs	**15,011**	**(1,366)**	**(57,486)**	**(43,841)**
Write-offs	**–**	**–**	**318,836**	**318,836**
Foreign exchange adjustments	**–**	**–**	**26,696**	**26,696**
ECL as at 31 December 2025	**(457,361)**	**(98,080)**	**(2,862,812)**	**(3,418,253)**

(In thousands of tenge, unless otherwise indicated)

15. Other assets (continued)

	Stage 1	*Stage 2*	*Stage 3*	*Total*
Gross carrying amount at 1 January	2,661,284	28,601	3,017,325	5,707,210
Transfer to Stage 1	55,480	(4,410)	(51,070)	–
Transfer to Stage 2	(178,007)	178,166	(159)	–
Transfer to Stage 3	(321,563)	(111,986)	433,549	–
New assets originated or purchased	38,362,350	–	–	38,362,350
Derecognised or repaid assets (excluding write-offs)	(39,105,194)	(22,393)	(152,100)	(39,279,687)
Write-offs	–	–	(120,235)	(120,235)
Foreign exchange adjustments	1,269,249	–	207,870	1,477,119
Gross carrying amount as at 31 December	2,743,599	67,978	3,335,180	6,146,757

	Stage 1	*Stage 2*	*Stage 3*	*Total*
ECL at 1 January	(30,443)	(19,862)	(2,859,146)	(2,909,451)
Transfer to Stage 1	(1,189)	1,171	18	–
Transfer to Stage 2	69	(228)	159	–
Transfer to Stage 3	14,981	69,623	(84,604)	–
New assets originated or purchased	(278,732)	–	–	(278,732)
Derecognised or repaid assets (excluding write-offs)	501,754	8,481	96,259	606,494
Impact on ECL resulting from transfers between stages and changes to models and inputs	(220,975)	(83,523)	(277,330)	(581,828)
Write-offs	–	–	120,235	120,235
Foreign exchange adjustments	171	–	(192,570)	(192,399)
ECL at 31 December	(14,364)	(24,338)	(3,196,979)	(3,235,681)

16. Taxation

The corporate income tax expenses comprise:

	2025	*2024*
Current corporate income tax expense	**(9,044,134)**	–
Deferred corporate income tax expense - origination and reversal of temporary differences	**(608,234)**	(176,113)
Corporate income tax expenses	**(9,652,368)**	(176,113)

The Bank's income is subject to taxation in the Republic of Kazakhstan. The statutory corporate income tax rate in 2025 and 2024 was 20%.

In 2025, amendments were introduced to the tax legislation of the Republic of Kazakhstan by Law of the Republic of Kazakhstan No. 208-VIII dated 15 July 2025, as a result of which the Tax Code was supplemented by Section 26 'Transitional Provisions'. In accordance with Article 783 of this Section, effective from 1 January 2025, certain types of income became subject to additional corporate income tax at a rate of 10%.

On 18 July 2025, a new Tax Code of the Republic of Kazakhstan was adopted, which comes into force on 1 January 2026 and foresees the introduction of differentiated corporate income tax rates for second-tier banks. The procedure for determining taxable income from banking activities is established by the joint order of the Ministry of Finance of the Republic of Kazakhstan dated 18 September 2025 No. 508 and the resolution of the Board of the National Bank of the Republic of Kazakhstan dated 26 September 2025 No. 55, both effective from 1 January 2026. These Rules regulate the procedure for determining taxable income from lending activities to business entities and from other activities of second-tier banks for the purposes of calculating corporate income tax at rates of 20% and 25%.

(In thousands of tenge, unless otherwise indicated)

16. Taxation (continued)

The Bank assessed the impact of these changes on deferred tax assets and liabilities in accordance with the requirements of IFRS (IAS) 12 'Income Taxes' and recognised the corresponding effect in the separate financial statements for 2025.

The reconciliation between the corporate income tax expense in the accompanying separate financial statements and profit before corporate income tax multiplied by the statutory tax rate for the periods ended 31 December is as follows:

	2025	*2024*
Profit before corporate income tax expense	**23,613,214**	52,407,398
Statutory tax rate	**20%**	20%
Theoretical corporate income tax expense at the statutory rate	**(4,722,643)**	(10,481,480)
Tax-exempt income from government securities and securities included in the official list of the Kazakhstan Stock Exchange (KASE),	**6,950,966**	11,178,727
Income from financial instruments subject to increased tax rates	**(9,245,724)**	–
Non-deductible administrative and other operating expenses	**(923,284)**	(653,390)
Non-deductible tax expenses, other than corporate income tax	**(466,855)**	–
Effect on change of statutory corporate income tax rate	**(862,914)**	–
Non-deductible credit loss expenses	**(49,422)**	(49,174)
Non-deductible interest expense on subordinated debt	**(16,000)**	(16,000)
Other	**(316,492)**	(154,796)
Corporate income tax expense	**(9,652,368)**	(176,113)

Deferred corporate income tax assets and liabilities, and their movement for respective years comprised the following as at 31 December:

	2023	*Origination and reversal of temporary differences in profit or loss*	*2024*	*Origination and reversal of temporary differences in profit or loss*	*Origination and reversal of temporary differences in other comprehensive income*	*2025*
Tax effect of deductible temporary differences						
Loans to customer	254,631	229,351	483,982	**1,165,539**	–	**1,649,521**
Lease liabilities	512,558	165,852	678,410	**502,334**	–	**1,180,744**
Other liabilities	183,353	877,433	1,060,786	**787,247**	–	**1,848,033**
Amounts due from the Microfinance organisations	–	–	–	**509,429**	**–**	**509,429**
Other assets	3,891	(128)	3,763	**(3,763)**	–	–
Deferred tax assets	954,433	1,272,508	2,226,941	**2,960,786**	–	**5,187,727**
Tax effect of taxable temporary differences						
Property and equipment and intangible assets	(1,473,057)	(1,220,977)	(2,694,034)	**(2,010,691)**	**(337,799)**	**(5,042,524)**
Trading securities	–	–	–	**(201,590)**	–	**(201,590)**
Right-of-use assets	(624,724)	(227,644)	(852,368)	**(100,202)**	–	**(952,570)**
Other assets	–	–	–	**(1,256,537)**	–	**(1,256,537)**
Deferred tax liability	(2,097,781)	(1,448,621)	(3,546,402)	**(3,569,020)**	**(337,799)**	**(7,453,221)**
Deferred corporate income tax liabilities	(1,143,348)	(176,113)	(1,319,461)	**(608,234)**	**(337,799)**	**(2,265,494)**

(In thousands of tenge, unless otherwise indicated)

17. Amounts due to financial institutions

Amounts due from financial institutions comprise:

	31 December 2025	*31 December 2024*
Loans from financial institutions	**47,350,635**	6,967,372
Correspondent accounts of other banks	**10,168,618**	14,094,507
Deposits of quasi-government organisations	**3,043,589**	4,843,010
Deposits received as collateral	**606,636**	630,131
Total amounts due from financial institutions	**61,169,478**	26,535,020

As at 31 December 2025, loans received from financial institutions included funds obtained from Agrarian Credit Corporation JSC amounting to KZT 21,641,993 thousand and from Entrepreneurship Development Fund Damu JSC amounting to KZT 25,708,642 thousand (31 December 2024: funds obtained from Agrarian Credit Corporation JSC amounting to KZT 6,967,372 thousand).

As at 31 December 2025, the funds obtained from Agrarian Credit Corporation JSC were intended for subsequent lending to entities operating in the agro-industrial complex and agricultural production cooperatives. These loans are denominated in tenge, bearing nominal interest rate of 1.5-2.0% per annum (31 December 2024: 1.5% per annum) and maturing in 2026 and 2040 (31 December 2024: in 2025 and 2026).

As at 31 December 2025, the amounts received from the Development of Entrepreneurship Fund Demu JSC are denominated in tenge, bearing nominal interest rate of 2.0-3.5% per annum and maturing in 2031-2040. These funds are aimed at supporting small and medium-sized enterprises through subsequent lending on preferential terms, with the objective of stimulating entrepreneurship and promoting economic development in the Republic of Kazakhstan.

As at 31 December 2025, correspondent accounts on the amount of KZT 10,168,618 thousand were received from seventeen foreign financial institutions (31 December 2024: KZT 14,094,507 thousand from twelve foreign banks).

As at 31 December 2025, deposits from quasi-government organisations comprised deposits amounting to KZT 3,043,589 thousand received from Kazakhstan Sustainability Fund JSC under the state programme for refinancing mortgage loans to customers (31 December 2024: KZT 4,843,010 thousand), maturing in 2036-2050 and interest rates from 0.1% to 2.99% per annum.

As at 31 December 2025 and 2024, the Bank had three counterparties, each of which individually accounted for more than 10% of the total amount of funds from financial institutions. As at 31 December 2025, the aggregate balance of funds held on the accounts of these counterparties amounted to KZT 58,721,031 thousand (31 December 2024: KZT 25,740,174 thousand).

18. Amounts due to customers

The amounts due to customers include the following:

	31 December 2025	*31 December 2024*
Current accounts and demand deposits		
- Corporate customers	**289,054,817**	202,423,752
- Retail customers	**64,512,320**	47,139,536
Term deposits		
- Corporate customers	**311,317,729**	269,233,961
- Retail customers	**820,913,302**	540,621,232
Security deposit		
- Corporate customers	**20,053,099**	21,265,507
- Retail customers	**4,733,678**	2,887,317
Total amounts due to customers	**1,510,584,945**	1,083,571,305
Held as security against loans to customers	**19,497,852**	22,080,318
Held as security against guarantees *(Note 33)*	**5,288,925**	2,702,637

(In thousands of tenge, unless otherwise indicated)

18. Amounts due to customers (continued)

Below is the breakdown of due to customers by industry sectors:

	31 December 2025		31 December 2024	
	Amount	%	Amount	%
Individuals	**889,287,223**	**58.87%**	590,232,945	54.47%
Financial services	**156,280,288**	**10.35%**	110,519,457	10.20%
Construction	**79,228,969**	**5.24%**	61,304,126	5.66%
Trade	**71,732,735**	**4.75%**	54,343,127	5.02%
Activities of holding companies	**44,137,954**	**2.92%**	45,317,019	4.18%
Professional services	**46,486,005**	**3.08%**	43,088,139	3.98%
Mining industry	**48,934,488**	**3.24%**	28,155,785	2.60%
Communication and information	**32,610,081**	**2.16%**	25,803,583	2.38%
Production	**32,827,188**	**2.17%**	25,169,016	2.32%
Education	**23,371,015**	**1.55%**	20,034,249	1.85%
Leases	**8,105,650**	**0.54%**	14,396,719	1.33%
Real estate	**11,245,537**	**0.74%**	12,606,365	1.16%
Transportation	**17,440,742**	**1.15%**	7,763,182	0.72%
Medical services	**10,769,045**	**0.71%**	6,819,023	0.63%
Agriculture	**4,455,083**	**0.29%**	6,493,474	0.60%
Electric power industry	**4,783,254**	**0.32%**	5,271,865	0.49%
Insurance	**5,620,729**	**0.37%**	1,884,940	0.17%
Asset management	**386,622**	**0.03%**	224,286	0.02%
Other	**22,882,337**	**1.51%**	24,144,005	2.23%
Total amounts due to customers	**1,510,584,945**	**100.0%**	1,083,571,305	100.0%

As at 31 December 2025 the Bank had ten major customers, which accounted for 23.03% of the gross balance of current accounts and deposits of customers (31 December 2024: 12%). As at 31 December 2025, the aggregate balance of funds held on the referred accounts amounted to KZT 199,095,743 thousand (31 December 2024: KZT 131,321,485 thousand).

In accordance with the Civil Code of the Republic of Kazakhstan, the Bank is obliged to repay the deposit upon demand of a depositor. In accordance with the applicable deposit terms and conditions, where a term deposit is withdrawn at the depositor's request prior to maturity, interest is paid for the actual period during which the deposit was placed.

19. Amounts payable under repurchase agreements

As at 31 December 2025 and 2024, the Bank entered into the repurchase agreements on the KASE. Transactions under repurchase agreements are used by the Bank to manage short-term liquidity. An analysis of payables under repurchase agreements by type of underlying instruments is presented below:

	31 December 2025	
	Carrying amount of the liability	Fair value of the collateral held
Bonds of the Ministry of Finance of the Republic of Kazakhstan	**359,560,649**	**357,974,848**
Bonds of quasi-government corporations	**90,357,637**	**91,254,209**
Bonds of foreign corporations	**20,737,132**	**20,949,721**
Total	**470,655,418**	**470,178,778**

(In thousands of tenge, unless otherwise indicated)

19. Amounts payable under repurchase agreements (continued)

	31 December 2024	
	Carrying amount of the liability	*Fair value of the collateral held*
Bonds of the Ministry of Finance of the Republic of Kazakhstan	718,456,616	721,379,591
Bonds of quasi-government corporations	237,329,233	241,619,354
Bonds of foreign corporations	1,563,784	1,590,357
Total	957,349,633	964,589,302

Master netting agreements allow the Bank to offset liabilities against existing assets in the event of default. The right to offset is the legal right to repay or otherwise reduce all or part of the amount at the expense of the amount received from the same counterparty, thus reducing exposure to credit risk. As at 31 December 2025 and 2024, the Bank did not record offsets in the separate statement of financial position.

20. Subordinated debt

In December 2010, the Bank placed 1.000.000 preferred shares at an issue price of KZT 1,000 per share. These preferred shares do not have any voting rights unless payment of preferred dividends has been delayed for three months and carry a cumulative dividend of a minimum of 8% per annum, but not less than dividends on common shares.

In accordance with IAS 32 Financial Instruments: Presentation, where a non-redeemable preference share gives rise to a contractual right to receive dividends, it contains a financial liability component in respect of those dividends. As a result, the net present value of the obligation to pay dividends is recognised as a liability, with the residual proceeds from the issue recognised as equity. In 2025 and 2024, dividend expenses on preference shares amounted to KZT 80,000 thousand and were presented within interest expense in the separate statement of profit or loss and other comprehensive income in accordance with IAS 32.

21. Lease liabilities

Lease liabilities are presented as follows:

	31 December 2025	*31 December 2024*
Maturity analysis:		
Year 1	**2,525,260**	1,959,684
Year 2	**1,983,797**	1,920,913
Year 3	**654,454**	1,488,873
Year 4	**388,466**	338,626
Year 5	**44,151**	74,273
Net of financial expenses for future periods	**(873,153)**	(938,268)
Total lease liabilities	**4,722,975**	4,844,101
Type of maturity of liabilities:		
Current	**2,010,995**	1,476,300
Non-current	**2,711,980**	3,367,801
Total lease liabilities	**4,722,975**	4,844,101

Lease liabilities	***2025***	*2024*
Gross carrying amount at 1 January	**4,844,101**	3,281,866
Additions	**1,615,819**	1,382,437
Disposals	**(912,022)**	(153,966)
Payments	**(2,377,045)**	(1,377,940)
Interest expenses *(Note 25)*	**948,764**	542,220
Modification effect	**603,358**	1,169,484
Carrying amount as at 31 December	**4,722,975**	4,844,101

(In thousands of tenge, unless otherwise indicated)

22. Amounts payable to the mortgage organisation

In 2018 and 2019, the NBRK approved the residential mortgage programmes “Mortgage Program “7-20-25”. The main goal of this program is to provide the population with the opportunity to purchase primary housing and increase the interest of banks in financing. According to the conditions of the “Mortgage Program “7-20-25”, loans are issued in tenge at a nominal rate of 7.0% per annum for a period of up to 25 years and down payment of 20%. Loan origination and servicing fees are not charged.

Under the programmes, the Bank originated mortgage loans to customers and transferred them to Kazakhstan Sustainability Fund JSC (the “Operator”) in exchange for cash in an amount equal to the nominal value of the loans. The Bank legally acts as an agent for this program and receives a fee of 2.5-4.0% per annum from received interest payments.

In accordance with the terms of the transfer of the Bank’s assets to the Operator, in the event of a default on the transferred loans, the Bank is obliged to repurchase the transferred loans from the Operator. As a result, the Bank retains credit risks in respect of the loans transferred and retains all benefits on these loans, and therefore the Bank continues recognising these loans as part of its assets.

As at 31 December 2025, the carrying amount of the transferred loans amounted to KZT 262,964,944 thousand (31 December 2024: KZT 248,271,027 thousand), and the carrying amount of the liability to the Operator amounted to KZT 263,076,372 thousand (31 December 2024: KZT 248,307,105 thousand).

23. Other liabilities

Other liabilities comprise:

	31 December 2025	*31 December 2024*
Payables to suppliers	**2,947,936**	1,781,400
Payables for insurance premium payments to a related party	**2,091,726**	–
Allowance for ECL on issued guarantees *(Note 33)*	**162,871**	80,461
Accrued fee and commission expense	**1,562**	10,275
Other financial liabilities	**1,963,745**	1,375,066
Other financial liabilities	**7,167,840**	3,247,202
Accrued employee bonus expenses	**5,031,169**	4,210,235
Accrued expenses for unused leaves	**1,908,539**	1,093,695
Accrued mandatory contributions to the KDIF	**1,618,907**	921,380
Prepaid interest on loans to customers	**1,257,314**	527,303
Payables for other taxes and charges, other than corporate income tax	**1,149,281**	461,683
Mandatory budgetary payments	**555,199**	–
Provisions *(Note 33)*	**–**	368,015
Deferred commission income on issued guarantees	**9,736**	84,332
Other non-financial liabilities	**153,820**	322,775
Other non-financial liabilities	**11,683,965**	7,989,418
Total other liabilities	**18,851,805**	11,236,620

24. Equity

As at 31 December 2025 and 2024, the Bank has 53,500,000 declared ordinary shares. Par value per share is KZT 1,000.

As at 31 December 2025, 36,094,842 pcs of issued ordinary shares were fully paid to the shareholders at the placement price (31 December 2024: 31,942,299 pcs).

On 23 September 2024 Freedom Finance JSC acquired 952,381 ordinary shares of the Bank at the placement price of KZT 5,250 per share. On 23 September 2024 Freedom Finance JSC acquired 3,389,831 ordinary shares of the Bank at the placement price of KZT 5,900 per share. On 27 March 2025, Freedom Finance JSC acquired 4,152,543 ordinary shares of Freedom Bank Kazakhstan JSC at placement price KZT 5,900 per share for total price of KZT 24,500,004 thousand.

(In thousands of tenge, unless otherwise indicated)

24. Equity (continued)

As at 31 December 2025, charter capital amounted to KZT 111,856,152 thousand (31 December 2024: KZT 87,356,148 thousand).

There were no dividends declared or paid on ordinary shares during 2025 and 2024.

The carrying amount of one ordinary share calculated in accordance with the methodology indicated in the Listing Rules of Kazakhstan Stock Exchange as at 31 December 2025 and 2024 is presented below:

Type of shares	*31 December 2025* Number of outstanding shares	*31 December 2025* Net assets	*31 December 2025* Book value per share (tenge)	*31 December 2024* Number of outstanding shares	*31 December 2024* Net assets	*31 December 2024* Book value per share (tenge)
Ordinary	**36,094,842**	**232,296,483**	**6,435.73**	31,942,299	199,489,044	6,245.29

Type of shares	*31 December 2025* Number of outstanding shares	*31 December 2025* Book value of shares	*31 December 2025* Book value per share (tenge)	*31 December 2024* Number of outstanding shares	*31 December 2024* Net assets	*31 December 2024* Book value per share (tenge)
Preference *(Note 18)*	**1,000,000**	**1,040,000**	**1,040**	1,000,000	1,000,000	1,000

The Bank discloses the carrying amount of ordinary and preference shares calculated in accordance with the methodology set out in the KASE Listing Rules. Disclosure of this information is not required in line with IFRS Accounting Standards.

Additional paid-in capital

In 2021, the Bank and Freedom Holding Corp. signed the agreements to terminate subordinated debt agreements, according to which Freedom Holding Corp. made a full forgiveness of the subordinated debt, As at 31 December 2025 and 2024, the subordinated debt referred to above was recognised as part of the Bank's additional paid-in capital in the amount of KZT 2,400,340 thousand.

Revaluation reserve for property

The revaluation reserve for property and equipment is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

As of 31 December 2024, the Bank's property, plant and equipment revaluation reserve is KZT 1,872,135 thousand (as of 31 December 2023: KZT 872,129 thousand).

(In thousands of tenge, unless otherwise indicated)

25. Net interest income

Net interest income comprises:

	2025	*2024*
Interest income calculated using the effective interest rate		
Cash and cash equivalents	**6,953,789**	3,617,260
Amounts due from financial institutions	**1,007,461**	656,910
Investment securities measured at amortised cost	**46,580,778**	19,142,343
Loans to customer	**131,113,072**	98,316,826
Other assets	**80,012**	55,290
Total interest income calculated using the effective interest rate	**185,735,112**	121,788,629
Interest gain on financial assets at fair value through profit or loss		
Trading securities	**67,375,683**	140,131,384
Total other interest revenue	**253,110,795**	261,920,013
Interest expense		
Amounts due to financial institutions	**(382,916)**	(562,048)
Amounts due to customers	**(81,951,685)**	(37,047,701)
Accounts payable under repurchase agreements	**(87,988,723)**	(142,837,840)
Subordinated debt	**(80,000)**	(80,000)
Amounts payable to the mortgage institution	**(8,821,039)**	(7,701,846)
lease liabilities *(Note 20)*	**(948,764)**	(542,220)
Total interest expense	**(180,173,127)**	(188,771,655)
Net interest income	**72,937,668**	73,148,358

Interest income receipts comprise:

	2025	*2024*
Cash and cash equivalents	**6,952,975**	3,640,004
Amounts due from financial institutions	**965,464**	670,566
Trading securities	**96,583,717**	146,421,894
Investment securities measured at amortised cost	**23,958,404**	5,492,801
Loans to customer	**123,886,063**	96,758,744
Total	**252,346,623**	252,984,009

Interest expense payments comprise:

	2025	*2024*
Amounts due to financial institutions	**(383,449)**	(562,048)
Amounts due to customers	**(77,369,181)**	(34,896,509)
Accounts payable under repurchase agreements	**(88,693,630)**	(142,837,840)
Subordinated debt	**(40,000)**	(120,000)
Amounts payable to the mortgage institution	**(8,821,039)**	(7,701,846)
Lease liabilities	**(948,764)**	–
Total	**(176,256,063)**	(186,118,243)

(In thousands of tenge, unless otherwise indicated)

26. Credit loss expense

The table below shows the ECL charges on financial instruments recorded in profit or loss for the year ended 31 December 2025:

	Note	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Cash and cash equivalents	5	**(102,300)**	**–**	**–**	**(102,300)**
Amounts due from financial institutions	6	**36,100**	**–**	**–**	**36,100**
Loans to customer	7	**(6,036,207)**	**(7,485,861)**	**2,806,123**	**(10,715,945)**
Investment securities	9	**(43,816)**	**–**	**–**	**(43,816)**
Amounts due from the Microfinance organisations	13	**(458,050)**	**–**	**–**	**(458,050)**
Other financial assets	14	**(641,288)**	**15,802**	**97,382**	**(528,104)**
Credit related contingencies		**(82,410)**	**–**	**–**	**(82,410)**
Total credit loss expense		**(7,327,971)**	**(7,470,059)**	**2,903,505**	**(11,894,525)**

The table below shows the ECL charges on financial instruments recorded in profit or loss for the year ended 31 December 2024:

	Note	*Stage 1*	*Stage 2*	*Stage 3*	*Total*
Cash and cash equivalents	5	(33,614)	–	–	(33,614)
Amounts due from financial institutions	6	32,798	–	(42,556)	(9,758)
Loans to customer	7	(2,274,947)	(5,573,212)	(7,126,938)	(14,975,097)
Investment securities	9	(124,179)	–	–	(124,179)
Other financial assets	14	2,047	(75,042)	(181,071)	(254,066)
Credit related contingencies		(80,461)	–	–	(80,461)
Total credit loss expense		(2,478,356)	(5,648,254)	(7,350,565)	(15,477,175)

In 2025, credit loss expenses in the separate statement of profit or loss and other comprehensive income included income arising from the recognition of an insurance coverage asset on the loan portfolio amounting to KZT 5,170,136 thousand *(Note 14)*.

27. Net fee and commission (expense)/income

Net fee and commission income comprises:

	2025	*2024*
Payment cards	**41,584,181**	25,207,672
Settlements transactions	**30,580,503**	9,784,513
Opening and maintenance of customer accounts	**2,095,158**	146,259
Agency services	**1,871,059**	15,922
Cash operations	**1,175,776**	955,324
Guarantees issued	**247,312**	102,800
Foreign exchange transactions	**144,049**	87,145
Cashback	**(59,164,439)**	(4,492,696)
Other	**2,205,360**	304,865
Total fee and commission income	**20,738,959**	32,111,804
Transactions on customers' card accounts	**(44,119,150)**	(26,556,357)
Transactions with securities	**(3,409,431)**	(1,487,812)
Settlements transactions	**(1,713,529)**	(534,529)
Agency services	**(127,984)**	(241,589)
Foreign exchange transactions	**(11)**	(13,979)
Total fee and commission expense	**(49,370,105)**	(28,834,266)
Net fee and commission (expense)/income	**(28,631,146)**	3,277,538

The Bank usually collects fees and commissions in advance of completion of the underlying transaction or shortly thereafter (for contracts where performance obligation is satisfied point in time, such as settlement transactions). The Bank applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

(In thousands of tenge, unless otherwise indicated)

27. Net fee and commission (expense)/income (continued)

In September 2024, the Bank launched a loyalty programme under which customers are granted cashback on payment card transactions ranging from 1% to 4% of the transaction amount, as well as increased cashback of up to 30% for purchases within the "Freedom" ecosystem. These expenses are recognised as part of variable consideration related to fee incomes from payment card transactions and are recognised by the Bank at the time the relevant transaction is performed by the customer.

In 2025, the Bank incurred loyalty programme expenses amounting to KZT 59,164,439 thousand (2024: KZT 4,492,696 thousand). In accordance with the Bank's accounting policy and IFRS requirements, these expenses were recognised within fee and commission income through a reduction of the respective income. These expenses were included in the Bank's approved budget and were incurred in the normal course of business as part of the Group's ongoing activities aimed at customer acquisition and retention.

28. Net gains on financial instruments at fair value through profit or loss

Net gains from transactions with financial instruments at fair value through profit or loss is comprised of the following positions:

	2025	*2024*
Net unrealised (loss)/gain on trading securities	**(27,499,200)**	38,012,287
Net realised gain on trading securities	**45,539,417**	1,003,205
Net unrealised (loss)/gain on derivative financial instruments	**(148,192)**	1,468,279
Net realised gain/(loss) on derivative financial instruments	**1,833,796**	(897,799)
Total net gains from transactions with financial instruments at fair value through profit or loss	**19,725,821**	39,585,972

29. Other income and expenses

	2025	*2024*
Other income		
Dividend income	**706,116**	311,200
Other	**981,514**	302,903
Total other income	**1,687,630**	614,103
Other expenses		
Expenses on disposal of property, plant and equipment and intangible assets	**188,771**	–
Expenses for the recognition of provisions for estimated liabilities	**–**	154,528
Total other expenses	**188,771**	154,528

30. Personnel expenses

Personnel expenses comprise:

	2025	*2024*
Salaries and bonuses, including individual income tax	**36,598,636**	28,743,765
Social security contributions	**4,817,647**	2,779,773
Total personnel expenses	**41,416,283**	31,523,538

(In thousands of tenge, unless otherwise indicated)

31. Administrative and other operating expenses

Administrative and other operating expenses comprise:

	2025	*2024*
Depreciation and amortisation *(Notes 10, 11, 12)*	**6,070,062**	3,535,956
Advertising and marketing services	**4,614,794**	2,394,492
Communication and information services	**3,477,037**	2,446,469
Technical support and software	**3,081,878**	2,861,783
Contributions to KDIF	**2,740,160**	2,588,852
Taxes other than corporate income tax	**2,601,330**	1,750,292
Expenses on postal and courier services	**2,128,450**	1,753,468
Expenses related to the issuance of plastic cards	**2,035,142**	806,589
Lease expenses	**1,467,299**	575,845
Expenses related to the educational system BilimClass	**1,376,875**	–
Insurance	**1,375,184**	43,858
Charity and sponsorship	**1,173,071**	1,209,247
Repair and maintenance	**1,029,716**	586,384
Expenses on professional services	**888,730**	393,417
Business trip expenses	**588,068**	422,263
Security	**538,610**	394,064
Contributions to the fund to set the guarantee limits	**537,000**	–
Clearing fee	**340,122**	357,174
Utilities	**266,299**	181,558
Transport	**223,657**	87,488
Cash collection	**185,814**	70,427
Fines and penalties	**178,301**	27,161
Representation expenses	**61,525**	54,864
Office supplies	**87,444**	58,645
Membership contributions	**77,733**	72,798
Education	**69,664**	81,145
Others	**2,277,198**	1,892,894
Total administrative and other operating expenses	**39,491,163**	24,647,133

For the years ended 31 December 2025 and 2024, expenses for audit services amounted to KZT 145,546 thousand and KZT 58,016 thousand, respectively, excluding value added tax.

32. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to common shareholders by the weighted average number of participating shares outstanding during the period.

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

	2025	*2024*
Net profit for the year	**13,354,069**	52,414,103
Less dividends that can be paid to shareholders of preferred shares in case of full distribution of profit	**(80,000)**	(80,000)
Net profit attributable to common shareholders	**13,274,069**	52,334,103
Less dividends that can be paid to shareholders of preferred shares in case of full distribution of profit	**35,127,811**	28,116,941
Basic and diluted earnings per share (in tenge)	**377.88**	1,861.00

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

(In thousands of tenge, unless otherwise indicated)

33. Commitments and contingencies

Legal

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

The Bank assesses the likelihood of material liabilities arising from individual circumstances and makes provision in separate financial statements only where it is probable that events giving rise to the liability will occur and the amount of the liability can be reasonably estimated.

Taxation

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

Kazakhstan tax legislation and tax practice are subject to ongoing development and, as a result, are exposed to varying interpretations and frequent changes, which may have retrospective effect. In some cases, for the purpose of determining taxable base, tax legislation refers to the IFRS-based accounting. At the same time, the interpretation of the relevant IFRS-based accounting provisions by the Kazakh tax authorities may differ from the accounting policies, judgements and estimates applied by management in the preparation of these separate financial statements, which may result in additional tax liabilities for the Bank. Tax authorities may perform retrospective tax audits for a period of up to five years following the end of the relevant tax year.

Management of the Bank believes that its interpretations of the relevant legislation are appropriate and that the Bank's tax position is justified.

In accordance with the Bank's share purchase agreement, upon the change of shareholder in 2020, the risks of additional taxes related to taxation for the periods 2016-2020 remain fully with the seller, who has undertaken to indemnify the Bank for any related losses incurred.

In 2021, following a documentary tax audit for the year 2016, the Almaty City Department of State Revenues instructed the Bank to pay KZT 213,487 thousand. The Bank created allowance for this payment in full amount.

In 2024, following a documentary tax audit for the years 2018-2020, the Almaty City Department of State Revenues instructed the Bank to pay KZT 213,487 thousand. The Bank created allowance for this payment in the amount of KZT 154,528 thousand.

On 7 March 2024, the Bank filed a claim to the Department of Appeals of the Ministry of Finance of the Republic of Kazakhstan. The claim was sustained in the amount of KZT 264,739 thousand at the level of the Department of Appeals of the Republic of Kazakhstan.

In 2025, following the completion of the appeal process, the Bank reversed provisions for tax liabilities amounting to KZT 368,015 thousand.

Commitments and Contingencies

The Bank's contractual and contingent liabilities include:

	31 December 2025	*31 December 2024*
Credit related commitments		
Undrawn loan facilities	**114,253,100**	84,780,442
Guarantees issued	**21,663,798**	7,670,616
Unused guarantee facilities	**3,957,898**	5,521,041
	139,874,796	97,972,099
Capital expenditure commitments	**15,582**	–
Commitments and contingencies before deducting collateral	**139,890,378**	97,972,099
Customers' funds held as collateral for guarantees *(Note 18)*	**(5,288,925)**	(2,702,637)
ECL allowance for credit related commitments *(Note 23)*	**(162,871)**	(80,461)

(In thousands of tenge, unless otherwise indicated)

33. Commitments and contingencies (continued)

Commitments and Contingencies (continued)

The total amount of commitments under unused credit facilities and guarantees in accordance with contractual terms does not necessarily represent future cash outflows, as such commitments may expire or be cancelled without funds being provided to the borrower. Credit line agreements provide the Bank with the right to unilaterally refuse to provide funds in the event of the occurrence of any adverse conditions. The Bank performs a credit risk assessment of the borrower prior to the disbursement of funds. Accordingly, the Bank believes that its exposure to credit loss risk is limited to the contractual notice period for cancellation of the undrawn portion of the credit facility.

As at 31 December 2025 and 2024, the Bank's credit-related commitments were not past due.

34. Risk management

Introduction

Risk management is inherent in the bank activities and is an essential element of the Bank's operations. Market risk, credit risk, liquidity risk, and operational risk are the principal risks to which the Bank is exposed in the course of its operations.

The Bank's risk management policy is designed to identify, analyse, and manage the risks to which the Bank is exposed, to establish risk limits and appropriate controls, and to continuously assess risk levels and their compliance with the established limits. Risk management policies and procedures are reviewed on a regular basis to reflect changes in market conditions, the range of banking products and services offered, and emerging best practices.

Risk management structure

Board of Directors

The Board of Directors is responsible for the effective functioning of the risk management control system, the management of key risks, the approval of risk management policies and procedures, as well as the approval of significant transactions.

Risk Committee

The Risk Committee of the Board of Directors exercises oversight and supervision over the effectiveness of the Bank's risk management framework, including monitoring compliance with the approved risk appetite, reviewing information on the risk profile and key deviations, and formulating recommendations to the Board of Directors on risk management matters and the Bank's compliance with established limits and policies.

Management Board

The Management Board of the Bank is responsible for the organisation and effective functioning of the risk management system within the strategy and risk appetite approved by the Board of Directors, ensures the implementation of internal policies and procedures, makes managerial decisions taking risk considerations into account, reviews regular reporting on the risk profile, and takes corrective actions in the event of identification of material deviations.

Credit risk management units

Credit risk management units perform analysis and assessment of credit risk at the borrower and portfolio levels, develop and apply methodologies for assessing creditworthiness and expected credit losses, manage credit risk through the establishment, monitoring and control of limits by borrower, product and type of transaction, participate in the approval of new and modified credit products to ensure compliance with the Bank's risk appetite and internal policies, and prepare regular reporting for the governing bodies.

Financial risk management unit

The unit is responsible for the management of market risk, liquidity risk, and counterparty credit risk of the Bank, as well as for the development of internal regulatory documents governing the management of these risks. The unit develops, tests, monitors, back-tests and recalibrates models for the measurement and forecasting of market and liquidity risks, and establishes control limits and early warning indicators.

Bank Treasury

The Bank's Treasury is responsible for managing the Bank's assets and liabilities, as well as its overall funding and financial structure. The Treasury is also primarily responsible for managing the Bank's liquidity risk and funding risk.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Risk management structure (continued)

Internal audit

The risk management processes in place within the Bankare reviewed annually by the internal audit function, which assesses both the adequacy of the procedures and the Bank's compliance with those procedures. Internal audit unit discusses the results of all assessments with management and reports its findings and recommendations to the Board of Directors.

Risk measurement and reporting systems

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

Monitoring and controlling risks are primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept, with additional emphasis on selected industries. In addition, the Bank monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

Information compiled from all the businesses is examined and processed in order to analyse, control and identify early risks. The information referred to above is presented, together with explanatory notes, to the Management Board, risk committees, and the heads of each business unit. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, liquidity ratios and risk profile changes. On a monthly basis, senior management determines whether an allowance for expected credit losses should be recognised. The Board of Directors receives a comprehensive risk report once a quarter which is designed to provide all the necessary information to assess and conclude on the risks of the Bank.

Various risk reports are prepared for all levels of the Bank and distributed to ensure that all Bank units have access to comprehensive, relevant, and up-to-date information.

Risk mitigation

As part of its overall risk management, the Bank uses derivatives and other instruments to manage exposures resulting from changes in foreign currencies, credit risk and exposures arising from forecast transactions.

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

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

Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers, clients or counterparties failed to discharge their contractual obligations. The Bank manages credit risk by establishing limits on the maximum level of risk it is willing to accept with respect to individual counterparties, geographic or industry risk concentrations, and by monitoring compliance with the established risk limits.

The Bank has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. For individuals and individual entrepreneurs, the credit quality assessment process also includes regular analysis of payment discipline and other indicators of deterioration in creditworthiness. For legal entities, the credit quality assessment process includes regular analysis of financial performance, cash flows, compliance with covenants, and other factors that may affect the level of credit risk. The credit quality review process enables the Bank to assess the magnitude of potential losses arising from the risks to which it is exposed and to take appropriate mitigating actions.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Credit risk (continued)

Impairment assessment

The Bank measures ECL using multiple probability-weighted scenarios to estimate expected cash shortfalls, which are discounted using the EIR or an approximation thereof. Cash shortfall is the difference between the contractual cash flows 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:

Probability of Default (PD)	Probability of Default represents an estimated likelihood that a default will occur over a specified time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
Exposure at default (EAD)	*The Exposure at Default* is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
Loss given default (LGD)	*Loss given default* represents an estimate of losses that arise in the event of default occurring at a specific point in 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.

The allowance for expected credit losses (ECL) is measured based on credit losses expected to arise over the life of the asset (lifetime ECL) where there has been a significant increase in credit risk since initial recognition and/or where the asset is credit-impaired; otherwise, the allowance is measured at an amount equal to 12-month expected credit losses (12-month ECL). The 12mECL is the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

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

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

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Credit risk (continued)

Definition of default and cure

The Bank considers a financial instrument to be in default and, accordingly, classifies it as Stage 3 (credit-impaired assets) for ECL measurement purposes in any case where the borrower is past due on contractual payments for more than 90 days for individuals (including individual entrepreneurs) and for more than 60 days for legal entities.

As a part of a qualitative assessment of whether a customer is in default, the Bank also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Bank performs a thorough analysis to determine whether the event results in a default and whether the assets should be classified as Stage 3 for ECL calculation purposes, or whether Stage 2 classification is more appropriate. Such events include:

- A significant decline in the value of collateral where repayment of the loan is expected to be achieved through the sale of the collateral;
- The borrower has filed for bankruptcy or has been declared bankrupt;
- Loan is being restructured due to deterioration of financial condition of the borrower;
- Death of the borrower.

In accordance with the Bank's policy, financial instruments are considered "cured" and are therefore transferred from Stage 3 to Stage 2 when none of the default criteria are observed as at the reporting date, provided that the outstanding exposure under the relevant financial instrument has been reduced as a result of partial repayment and, where restructuring has taken place, the borrower has made at least three consecutive contractual payments in a timely manner. The Bank applies a practice of retaining a financial instrument in the category of instruments that have experienced a significant increase in credit risk or are credit-impaired for a consecutive period of three months after the indicator of a significant increase in credit risk or the indicator of credit impairment is no longer observed.

ECL measurement on treasury and interbank transactions

The Bank's treasury and interbank operations include transactions with counterparties such as financial services organisations, banks, broker-dealers, exchanges, clearing organisations, as well as custodial and brokerage-dealer activities. ECL on such transactions are measured on an individual basis. In accordance with the requirements of IFRS 9, for the purposes of provisioning for treasury assets, the Bank applies the expected credit loss model, the key principle of which is the timely recognition of deterioration or improvement in the credit quality of credit exposures, taking into account accumulated historical data, as well as current and forward-looking information.

Corporate and SME Lending

Corporate lending and lending to small and medium-sized enterprises ("SMEs") are associated with credit risk arising from the financing of borrowers' operating and investment activities. Such financing includes overdrafts and credit facilities, provided in both secured and unsecured forms. Applications are reviewed using standardised online processes as well as traditional offline procedures that involve an individualised assessment of the borrower. Credit risk assessment is based on an analysis of the borrower's financial position and cash flows, the sustainability of its business model, industry factors, and the quality of corporate governance. Key risk factors include liquidity ratios, leverage and debt service coverage indicators, the credit history of the borrower and related parties, compliance with tax obligations, and the ratio of the loan amount to the collateral value (loan-to-value ratio).

Retail lending

Retail lending is exposed to credit risk arising from both unsecured and collateralised loans to individuals and sole proprietors, including credit cards, overdrafts, and other retail lending products. Credit risk for unsecured products is assessed using automated scoring models based on an analysis of credit history, the level and sustainability of income, the borrower's socio-demographic characteristics, compliance with tax and other obligations, and debt burden indicators. For secured products, credit risk is assessed based on the borrower's creditworthiness and the ratio of the loan amount to the collateral value, which allows the Bank to limit potential losses in the event of borrower default.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Credit risk (continued)

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.

The Bank offers its customers various overdraft facilities, which the Bank has the right to cancel and/or for which it may reduce the approved limits. The Bank does not limit its exposure to credit losses to the contractual notice period but instead calculates ECL over a period that reflects the Bank's expectations of the customer behaviour, its likelihood of default and the Bank's future risk mitigation procedures, which could include reducing or cancelling the facilities. The interest rate used to discount the ECLs for credit cards is based on the average effective interest rate that is expected to be charged over the expected period of exposure to the facilities.

Loss given default (LGD)

In the case of lending to corporate borrowers, the LGD metric is assessed on a periodic basis and reviewed by the Bank's risk management function.

Credit risk assessment is based on a standard LGD estimation model, which determines specific LGD levels. These LGD levels take into account the expected exposure at default (EAD) in comparison with the amounts expected to be recovered or realised through the sale of collateral held.

The Bank segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. For this purpose, historical loss data are used, and a wide range of transaction-specific characteristics (for example, product type and types of collateral), as well as borrower-specific characteristics, are considered.

Where necessary, new data and forward-looking economic scenarios are used to determine the LGD level for each group of financial instruments. When assessing forward-looking information, the expectation is based on multiple scenarios. Examples of key input data include changes in the value of collateral, including residential property prices in the case of mortgage lending, payment status, or other factors indicating losses for a given group of instruments.

LGD levels are estimated for all asset classes in Stages 1, 2 and 3, as well as for purchased or originated credit-impaired (POCI) financial assets. The inputs for these LGD rates are estimated and, where possible, calibrated through back testing against recent recoveries.

Guarantees that are not an integral part of the contract

Guarantees that are not an integral part of the credit agreement are accounted for by the Bank separately from the related credit asset and are not included in the calculation of expected credit losses (ECL) on that asset. In respect of such guarantees, the Bank recognises a separate reimbursement asset measured at the amount of the expected credit losses on the guaranteed credit asset. Changes in the amount of expected credit losses on this asset are recognised in credit loss expense.

Significant Increase in Credit Risk

The Bank continuously reviews all assets for which ECL are calculated. In order to determine the amount of the allowance for ECL to be recognised for an individual instrument or a portfolio of instruments (i.e. whether to recognise 12-month ECL or lifetime ECL), the Bank assesses whether there has been a significant increase in credit risk for the relevant instrument or portfolio since initial recognition.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Grouping of financial assets subject to collective assessment

Depending on the factors set out below, the Bank calculates ECL either on an individual basis or on a collective basis.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Credit risk (continued)

Grouping of financial assets subject to collective assessment (continued)

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

- Treasury and interbank operations (for example, balances with banks, cash and cash equivalents, and investment securities);
- Financial assets classified as POCI, including cases where the original asset has been derecognised and a new loan has been recognised as a result of a credit-driven debt restructuring;
- Financial assets whose gross carrying amount at the reporting date exceeds 0.2% of the Bank's equity, as well as the Bank's assets that represent exposures to related parties.

Asset classes that are not subject to individual ECL assessment are assessed by the Bank on a collective basis.

The Bank aggregates these financial assets into homogeneous groups based on internal and external credit characteristics, such as days past due, product type, type of collateral, or the industry in which the borrower operates.

Forward-looking information and multiple economic scenarios

In its ECL models, the Bank relies on a broad range of forward looking information as economic inputs, such as:

- Gross domestic product ("GDP") index;
- Base rate of the NBRK;
- Brent oil prices;
- USD/KZT rate;
- Rate of inflation;
- Residential property price index.

To obtain forward-looking information, the Bank uses data from external sources (external rating agencies, government authorities such as the NBRK, the Bureau of National Statistics, the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan, international financial institutions, and other sources). Specialists of the Bank's risk management function determine the weighting coefficients applied to multiple scenarios. The table below presents the values of key forward-looking economic variables/assumptions under several scenarios (base and downside), which are used in each economic scenario for the measurement of ECL.

	2026	
Key drivers	***Base***	***Downside***
Brent oil price (Brent ICE). US dollars	**68.50**	**50.60**
Base rate of the NBRK. %	**16.50**	**20.00**
GDP index. %	**105.22**	**101.88**
Rate of inflation. %	**9.40**	**10.90**
USD/KZT exchange rate	**560.00**	**608.00**
Residential property price index. %	**125.20**	**112.51**

	2025	
Key drivers	***Base***	***Downside***
Brent oil price (Brent ICE). US dollars	**78.00**	**54.22**
Base rate of the NB RK. %	**13.50**	**15.50**
GDP index. %	**105.00**	**99.31**
Rate of inflation. %	**7.44**	**13.33**
USD/KZT exchange rate	**530.00**	**583.00**
Residential property price index. %	**100.38**	**91.17**

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Credit risk (continued)

Maximum credit risk exposure

The maximum exposure to credit risk for the components of the separate statement of financial position, before the effect of mitigation through the use of master netting and collateral agreements, is best represented by their carrying amounts.

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

Risks associated with credit-related commitments

The Bank makes available to its customers guarantees which may require that the Bank make payments on their behalf. Customers reimburse such payments to the Bank in accordance with the terms and conditions of the guarantees provided. They expose the Bank to similar risks to loans, and these are mitigated by the same control processes and policies.

Financial sector entities are generally exposed to credit risk arising from financial assets and contingent liabilities. The level of credit risk is subject to ongoing monitoring in order to ensure compliance with lending and creditworthiness limits in accordance with the Bank's approved risk management policy.

Credit quality by class of financial assets

The Bank manages the credit quality of financial assets using credit ratings assigned by the international rating agency Fitch Ratings. The table below presents an analysis of credit quality by asset class, based on the Bank's credit rating system, as reflected in the line items of the separate statement of financial position.

31 December 2025	From A- to A+	From AA- to AA+	From BBB- to BBB+	From BB- to BB+	From B- to B+	*No credit rating assigned*	*Total*
Cash and cash equivalents							
- Stage 1	**63,142,844**	**17,630,151**	**189,255,340**	**11,887,837**	**3,259,444**	**44,772,541**	**329,948,157**
Amounts due from financial institutions							
- Stage 1	**20,566,313**	**13,227,557**	**14,948,811**	**755,437**	**–**	**720,807**	**50,218,925**
- Stage 3	**–**	**–**	**–**	**–**	**–**	**1,302,373**	**1,302,373**
Investment securities							
- Stage 1	**–**	**–**	**470,227,279**	**–**	**–**	**–**	**470,227,279**
Other financial assets	**–**	**–**	**3,684,541**	**5,171,233**	**–**	**4,887,140**	**13,742,914**

31 December 2024	From A- to A+	From AA- to AA+	From BBB- to BBB+	From BB- to BB+	From B- to B+	*No credit rating assigned*	*Total*
Cash and cash equivalents							
- Stage 1	14,933,833	-	109,020,171	19,761,100	6,701,657	81,229,184	231,645,945
Amounts due from financial institutions							
- Stage 1	14,150,502	5,427,252	300,000	787,665	–	26,930,116	47,595,535
- Stage 3	–	–	–	–	–	1,170,868	1,170,868
Investment securities							
- Stage 1	–	–	254,215,096	–	–	–	254,215,096
Other financial assets	–	–	2,663,207	–	–	3,483,550	6,146,757

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Geographical concentration

Information on geographical concentration of financial assets and liabilities as at 31 December 2025 and 2024 is presented below:

31 December 2025	*Republic of Kazakhstan*	*OECD countries*	*Others*	*Total*
Financial assets				
Cash and cash equivalents	**324,843,931**	**9,458,947**	**38,773,350**	**373,076,228**
Amounts due from financial institutions	**16,331,821**	**33,793,870**	**–**	**50,125,691**
Trading securities	**524,098,407**	**39,162,486**	**27,269,969**	**590,530,862**
Investment securities	**469,978,157**	**–**	**–**	**469,978,157**
Loans to customers	**995,688,639**	**–**	**–**	**995,688,639**
Amounts due from the microfinance organisation	**9,627,264**	**–**	**–**	**9,627,264**
Other financial assets	**9,782,168**	**–**	**542,493**	**10,324,661**
Total financial assets	**2,350,350,387**	**82,415,303**	**66,585,812**	**2,499,351,502**
Financial liabilities				
Derivative financial liabilities	**101,039**	**–**	**–**	**101,039**
Amounts due to financial institutions	**50,394,225**	**480,950**	**10,294,303**	**61,169,478**
Amounts due to customers	**1,026,211,104**	**11,882,429**	**472,491,412**	**1,510,584,945**
Accounts payable under repurchase agreements	**470,655,418**	**–**	**–**	**470,655,418**
Subordinated debt	**1,040,000**	**–**	**–**	**1,040,000**
Lease liabilities	**4,722,975**	**–**	**–**	**4,722,975**
Amounts payable to the mortgage organisation	**263,076,372**	**–**	**–**	**263,076,372**
Other financial liabilities	**6,069,744**	**7,695**	**1,090,401**	**7,167,840**
Total financial liabilities	**1,822,270,877**	**12,371,074**	**483,876,116**	**2,318,518,067**
Net position	**528,079,510**	**70,044,229**	**(417,290,304)**	**180,833,435**

31 December 2024	*Republic of Kazakhstan*	*OECD countries*	*Others*	*Total*
Financial assets				
Cash and cash equivalents	197,449,301	5,232,773	51,999,563	254,681,637
Amounts due from financial institutions	27,749,062	19,570,590	199,303	47,518,955
Trading securities	1,113,465,761	35,220,944	17,653,027	1,166,339,732
Investment securities	254,009,790	–	–	254,009,790
Derivative financial assets	397,649	–	–	397,649
Loans to customers	766,612,520	–	–	766,612,520
Amounts due from the microfinance organisation	–	–	–	–
Other financial assets	2,891,977	–	19,099	2,911,076
Total financial assets	2,362,576,060	60,024,307	69,870,992	2,492,471,359
Financial liabilities				
Derivative financial liabilities	–	–	–	–
Amounts due to financial institutions	11,810,380	73,933	14,650,707	26,535,020
Amounts due to customers	609,302,362	5,994,798	468,274,145	1,083,571,305
Accounts payable under repurchase agreements	957,349,633	–	–	957,349,633
Subordinated debt	1,000,000	–	–	1,000,000
Lease liabilities	4,844,101	–	–	4,844,101
Amounts payable to the mortgage organisation	248,307,105	–	–	248,307,105
Other financial liabilities	3,245,772	112	1,318	3,247,202
Total financial liabilities	1,835,859,353	6,068,843	482,926,170	2,324,854,366
Net position	526,716,707	53,955,464	(413,055,178)	167,616,993

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risks comprise currency risk, interest rate risk and other price risks. Market risk arises from open positions in interest-bearing and equity financial instruments that are exposed to the impact of general and specific market movements, as well as changes in the level of volatility of market prices and foreign exchange rates.

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

For the purpose of limiting market risks, the Bank establishes market risk appetite levels within the Risk Appetite Statement approved by the Board of Directors.

The Bank manages market risk by setting limits on open positions with respect to portfolio size by individual financial instruments, interest rate repricing periods, foreign currency positions and loss limits, and by conducting regular monitoring of compliance with these limits, the results of which are reviewed and approved by the Investment Committee and the Management Board.

In addition to the above, the Bank uses various stress tests to model the potential financial impact of specific exceptional market scenarios on individual trading portfolios and on the overall position. Stress testing enables the Group to determine the potential magnitude of losses that may arise under extreme conditions. The stress tests applied by the Bank include risk factor stress tests, under which each risk category is subjected to stressed movements, as well as specific stress tests that involve applying plausible stress events to individual positions.

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates.

For the purposes of managing interest rate risk, the Bank assesses the extent of mismatches between interest-bearing assets and interest-bearing liabilities by maturity (interest rate gap), modified duration, and interest margin. The Bank is exposed to the effects of fluctuations in prevailing 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.

Management of interest rate risk through monitoring of the interest rate gap is complemented by procedures for monitoring the sensitivity of net interest margin to various standard and non-standard interest rate scenarios.

The sensitivity analysis of profit before tax to changes in interest rates (repricing risk) is prepared based on a simplified scenario of a parallel shift of the yield curves by 100 basis points downward and by 100 basis points upward, taking into account repriced positions in interest-bearing assets and liabilities.

As at 31 December 2025, the impact on profit before tax of a parallel downward shift of 100 basis points in interest rates amounted to an increase of KZT 24,817,203 thousand (31 December 2024: KZT 37,448,734 thousand). The impact on profit before tax of a parallel upward shift of 100 basis points in interest rates amounted to a decrease of KZT 24,817,203 thousand (31 December 2024: KZT 37,448,734 thousand).

Price risk

Price risk is the risk of losses (direct losses or loss of income) resulting from adverse changes in market prices. In order to limit price risk, the Bank establishes limits on maximum losses arising from changes in the prices of securities (stop-loss limits). Presented below is the impact on profit or loss (arising from changes in the fair value of equity instruments measured at FVTPL) as at 31 December as a result of possible changes in equity price indices; all other parameters are assumed to remain constant.

	Effect on profit before tax	
	2025	***2024***
Parallel shift of 100 basis points upward	**101,380**	106,389
Parallel shift of 100 basis points downward	**(101,380)**	(106,389)

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Currency risk

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

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

Currency position of the Bank as at 31 December 2025 and 2024 is presented below:

At 31 December 2025	*KZT*	*USD*	*EUR*	*Other currencies*	*Total*
Financial assets					
Cash and cash equivalents	181,681,580	123,256,244	14,916,666	53,221,738	373,076,228
Amounts due from financial institutions	6,633,543	34,561,485	8,926,930	3,733	50,125,691
Trading securities	281,096,025	265,880,846	36,589,704	6,964,287	590,530,862
Investment securities	469,978,157	–	–	–	469,978,157
Loans to customer	993,576,637	2,112,002	–	–	995,688,639
Amounts due from the microfinance organisation	9,627,264	–	–	–	9,627,264
Other financial assets	10,238,287	68,184	–	18,190	10,324,661
Total financial assets	1,952,831,493	425,878,761	60,433,300	60,207,948	2,499,351,502
Financial liabilities					
Derivative financial liabilities	27,305	–	–	73,734	101,039
Amounts due to financial institutions	50,977,136	3,966,898	5,682,987	542,457	61,169,478
Amounts due to customers	991,394,561	312,744,852	142,553,731	63,891,801	1,510,584,945
Accounts payable under repurchase agreements	470,655,418	–	–	–	470,655,418
Subordinated debt	1,040,000	–	–	–	1,040,000
Lease liabilities	4,722,975	–	–	–	4,722,975
Amounts payable to the mortgage organisation	263,076,372	–	–	–	263,076,372
Other financial liabilities	5,802,077	986,435	291,104	88,224	7,167,840
Total financial liabilities	1,787,695,844	317,698,185	148,527,822	64,596,216	2,318,518,067
Impact of derivative financial instruments held for the purpose of risk management.	(3,377,112)	(105,970,447)	91,983,200	17,263,320	(101,039)
Net position	161,758,537	2,210,129	3,888,678	12,875,052	180,732,396

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Market risk (continued)

Currency risk (continued)

At 31 December 2024	*KZT*	*USD*	*EUR*	*Other currencies*	*Total*
Financial assets					
Cash and cash equivalents	73,860,994	66,103,517	39,572,976	75,144,150	254,681,637
Amounts due from financial institutions	4,355,766	20,400,639	7,117,693	15,644,857	47,518,955
Derivative financial assets	75,674	219,897	102,078	–	397,649
Trading securities	1,049,899,208	115,079,244	1,361,280	–	1,166,339,732
Investment securities	254,009,790	–	–	–	254,009,790
Loans to customer	764,510,305	2,102,215	–	–	766,612,520
Amounts due from the microfinance organisation	–	–	–	–	–
Other financial assets	2,522,653	302,481	31,857	54,085	2,911,076
Total financial assets	2,149,234,390	204,207,993	48,185,884	90,843,092	2,492,471,359
Financial liabilities					
Derivative financial liabilities	–	–	–	–	–
Amounts due to financial institutions	13,784,516	11,814,805	874,417	61,282	26,535,020
Amounts due to customers	571,667,273	304,605,718	131,351,945	75,946,369	1,083,571,305
Accounts payable under repurchase agreements	950,359,274	6,990,359	–	–	957,349,633
Subordinated debt	1,000,000	–	–	–	1,000,000
Lease liabilities	4,844,101	–	–	–	4,844,101
Amounts payable to the mortgage organisation	248,307,105	–	–	–	248,307,105
Other financial liabilities	2,956,125	174,380	32,439	84,258	3,247,202
Total financial liabilities	1,792,918,394	323,585,262	132,258,801	76,091,909	2,324,854,366
Impact of derivative financial instruments held for the purpose of risk management.	(188,635,570)	117,813,640	71,219,578	–	397,648
Net position	167,680,426	(1,563,629)	(12,853,339)	14,751,183	168,014,641

The tables below indicate the currencies to which the Bank had significant exposure at 31 December on its non-trading monetary assets and liabilities and its forecast cash flows. The Bank applied the Prophet model with multiplicative seasonality, incorporating consensus views from external sources. This analysis was performed on a pre-tax basis and is based on changes in foreign exchange rates which, in the Bank's view, are reasonably possible as at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. Negative amounts in the table reflect a potential net reduction in income or equity, while a positive amount reflects a net potential increase. These sensitivity levels changed as at 31 December 2025 compared to 31 December 2024 and represent the Bank management's assessment of possible movements in foreign exchange rates, driven by uncertainty regarding future developments in geopolitical risks and their impact on the economy of the Republic of Kazakhstan.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Currency risk (continued)

	2025		*2024*	
Currency	*Increase in currency rate in %*	*Effect on profit before tax*	*Increase in currency rate in %*	*Effect on profit before tax*
USD	**15.88%**	**350,968**	11.00%	(171,999)
EUR	**22.29%**	**866,786**	9.00%	(1,156,801)

	2025		*2024*	
Currency	*Decrease in currency rate in %*	*Effect on profit before tax*	*Decrease in currency rate in %*	*Effect on profit before tax*
USD	**6.68%**	**(147,637)**	1.00%	15,636
EUR	**4.26%**	**(165,658)**	5.95%	764,774

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 implications, or can lead to financial loss. The Bank cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Bank is able to manage the risks. Controls include effective segregation of duties, access rights, authorization and reconciliation procedures, staff education and assessment processes, including the use of internal audit.

Liquidity risk

Liquidity risk is the risk that the Bank may encounter difficulties in meeting its financial obligations that are settled by the delivery of cash or another financial asset. Liquidity risk exists when the maturities of assets and liabilities do not match. Matching and/or controlled mismatching of maturities and interest rates of assets and liabilities is a fundamental element of liquidity risk management. It is unusual for financial institutions ever to be completely matched since business transacted is often of an uncertain term and of different types. Such mismatches provide an opportunity to increase the profitability of operations; however, they also increase the risk of incurring losses.

The Bank 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.

For the purposes of managing liquidity risk, the Bank establishes liquidity risk appetite levels within the Risk Appetite Statement approved by the Board of Directors.

The Bank seeks to actively maintain a diversified and stable funding structure comprising deposits from core corporate customers and individuals, as well as a diversified portfolio of high-quality liquid assets, in order to ensure that the Bank is able to respond promptly and smoothly to unforeseen liquidity demands without significant volatility. Liquidity risk management comprises the following procedures:

- Forecasting cash flows by major currencies and determining the required level of liquid assets associated with those cash flows;
- Maintaining a diversified funding structure;
- Managing the concentration and profile of debts;
- Development of plans to raise funding through borrowings;
- Maintaining a portfolio of high-quality liquid assets that can be readily liquidated as a protective measure in the event of a liquidity gap;
- Developing contingency plans to support liquidity and the targeted level of funding;
- Monitoring compliance of liquidity ratios with statutory regulatory requirements.

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Liquidity risk (continued)

The Bank Treasury 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 then forms an appropriate portfolio of short-term liquid assets, consisting primarily of short-term liquid securities held for trading, interbank loans, and other interbank instruments, in order to ensure an adequate level of liquidity for the Bank as a whole.

The Treasury performs daily monitoring of the liquidity position, while the risk management function regularly conducts stress testing taking into account a wide range of possible market scenarios, both under normal and adverse conditions. Under normal market conditions, liquidity reports covering the liquidity position are presented to senior management on a monthly basis. Decisions regarding liquidity management policy are made by the Asset and Liability Management Committee (ALCO) and implemented by the Treasury.

At the same time, the securities consist of high-quality instruments issued by the Ministry of Finance of the Republic of Kazakhstan and quasi-sovereign companies (accounting for more than 90% of the portfolio), and repurchase transactions are conducted through a central counterparty. If necessary, the Bank may dispose of high-quality liquid securities to meet liquidity needs and also has alternative liquidity funding instruments available in the event of unforeseen liquidity stress, including financial support from the Parent entity.

Analysis of financial liabilities by remaining maturity

В таблице ниже представлены финансовые обязательства Bank по состоянию на 31 декабря 2025 и 2024 годов в разрезе сроков, оставшихся до погашения, на основании договорных недисконтированных обязательств по погашению. Liabilities that are repayable on demand are treated as if the demand for repayment were made on the earliest possible date. However, the Bank expects that many customers will not demand repayment on the earliest date on which the Bank would be required to make such payments; accordingly, the table does not reflect the expected cash flows estimated by the Bank based on historical information on deposit withdrawal behaviour.

	31 December 2025						
	On demand	*Less than 3 months*	*From 3 months to 1 year*	*From 1 to 5 years*	*Over 5 years*	*Total*	*Book value*
Financial liabilities							
Derivative financial liabilities	**–**	**101,039**	**–**	**–**	**–**	**101,039**	**101,039**
Amounts due to financial institutions	**12,805,610**	**13,948,559**	**467,456**	**8,450,007**	**33,413,305**	**69,084,937**	**61,169,478**
Amounts due to customers	**358,449,800**	**413,910,809**	**428,516,621**	**352,603,554**	**1,205,804**	**1,554,686,588**	**1,510,584,945**
Accounts payable under repurchase agreements	**470,655,418**	**1,823,439**	**47,483**	**–**	**–**	**472,526,340**	**470,655,418**
Subordinated debt*	**–**	**–**	**80,000**	**320,000**	**1,080,000**	**1,480,000**	**1,040,000**
Lease liabilities	**189,147**	**408,629**	**1,927,484**	**3,070,868**	**–**	**5,596,128**	**4,722,975**
Amounts payable to the mortgage organisation	**104,415**	**1,993,792**	**9,985,052**	**48,597,820**	**433,017,265**	**493,698,344**	**263,076,372**
Other financial liabilities	**2,038,397**	**2,213,870**	**2,915,573**	**–**	**–**	**7,167,840**	**7,167,840**
Total undiscounted financial liabilities	**844,242,787**	**434,400,137**	**443,939,669**	**413,042,249**	**468,716,374**	**2,604,341,216**	**2,318,518,067**

** The amount of perpetual subordinated debt classified in the "Over 5 years" category is presented at its discounted value.*

(In thousands of tenge, unless otherwise indicated)

34. Risk management (continued)

Liquidity risk (continued)

Analysis of financial liabilities by remaining maturity

	31 December 2024						
	On demand	***Less than 3 months***	***From 3 months to 1 year***	***From 1 to 5 years***	***Over 5 years***	***Total***	***Book value***
Financial liabilities							
Amounts due to financial institutions	19,691,761	126,010	385,030	4,045,808	6,619,983	30,868,592	26,535,020
Amounts due to customers	269,749,564	269,777,760	202,369,671	362,772,765	89,336	1,104,759,096	1,083,571,305
Accounts payable under repurchase agreements	957,349,633	3,804,516	–	–	–	961,154,149	957,349,633
Subordinated debt*	–	–	–	–	1,000,000	1,000,000	1,000,000
Lease liabilities	193,713	298,317	1,432,497	3,857,842	–	5,782,369	4,844,101
Amounts payable to the mortgage organisation	28,120	1,880,347	9,429,733	45,721,823	414,143,269	471,203,292	248,307,105
Other financial liabilities	1,133,181	333,085	1,780,936	–	–	3,247,202	3,247,202
Total undiscounted financial liabilities	1,248,145,972	276,220,035	215,397,867	416,398,238	421,852,588	2,578,014,700	2,324,854,366

** The amount of perpetual subordinated debt classified in the "Over 5 years" category is presented at its discounted value.*

For the purposes of liquidity risk disclosure as at 31 December 2025 and 2024, credit-related commitments were classified as "on demand." As at 31 December 2025, the undiscounted amount of guarantees and letters of credit in accordance with the contractual terms amounted to KZT 12,468,606 thousand (31 December 2024: KZT 7.171.974 thousand)

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 Bank expects that many customers will not demand repayment on the earliest date on which the Bank would be required to make the corresponding payment. Accordingly, in the table above, deposits from individuals are presented based on their contractual maturities, taking this assumption into account.

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.

35. Fair value measurement

Procedures of fair value measurement

For the valuation of material assets, such as real estate, independent external evaluators are engaged. The decision to engage external evaluators is made by the Bank's Management Board. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. As a general rule, valuators are rotated every three years.

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

(In thousands of tenge, unless otherwise indicated)

35. Fair value measurement (continued)

Procedures of fair value measurement (continued)

On a periodic basis, the Bank and the Bank's external valuators present the valuation results to the Bank's Audit Committee. This includes a discussion of the major assumptions used in the valuations.

For the purposes of fair value disclosure, the Bank has determined classes of assets and liabilities based on the nature, characteristics and risks of each asset or liability, as well as the level of the fair value hierarchy, as noted above.

Fair value hierarchy

		Fair value measurement using observable and unobservable inputs			
31 December 2025	***Measurement date***	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets measured at fair value					
Trading securities	31 December 2025	**289,373,235**	**301,157,627**	**–**	**590,530,862**
Property and equipment	31 December 2025	**–**	**–**	**12,115,061**	**12,115,061**
Liabilities measured at fair value					
Derivative financial liabilities	31 December 2025	**–**	**101,039**	**–**	**101,039**

		Fair value measurement using inputs			
31 December 2024	***Measurement date***	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets measured at fair value					
Trading securities	31 December 2024	811,881,114	354,458,618	–	1,166,339,732
Derivative financial assets	31 December 2024	–	397,649	–	397,649
Property and equipment	31 December 2022	–	–	10,701,984	10,701,984

In 2025, the Bank did not transfer any assets or liabilities between levels of the fair value hierarchy. In 2024, the Bank transferred trading securities with a total fair value of KZT 53,538,247 thousand from Level 1 to Level 2 of the fair value hierarchy, as well as trading securities with a total fair value of KZT 510,536,638 thousand from Level 2 to Level 1 of the fair value hierarchy.

Transfers between levels were driven by changes in the level of market activity.

(In thousands of tenge, unless otherwise indicated)

35. Fair value measurement (continued)

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

Below is a comparison of the carrying amounts and fair values, by class of financial instruments, of the Bank's financial instruments that are not measured at fair value in the standalone statement of financial position. The table does not present the fair values of non-financial assets and non-financial liabilities.

		Fair value measurement using inputs			
31 December 2025	***Book value***	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets for which fair values are disclosed					
Amounts due from financial institutions	**50,125,691**	**–**	**50,125,691**	**–**	**50,125,691**
Investment securities	**469,978,157**	**191,829,297**	**255,572,254**	**–**	**447,401,551**
Loans to customers	**995,688,639**	**–**	**–**	**944,711,462**	**944,711,462**
Amounts due from the microfinance organisation	**9,627,264**	**–**	**–**	**9,627,264**	**9,627,264**
Liabilities for which fair values are disclosed					
Amounts due to financial institutions	**61,169,478**	**–**	**62,782,241**	**–**	**62,782,241**
Amounts due to customers	**1,510,584,945**	**–**	**1,563,185,639**	**–**	**1,563,185,639**
Subordinated debt	**1,040,000**	**–**	**–**	**1,040,000**	**1,040,000**
Amounts payable to the mortgage organisation	**263,076,372**	**–**	**238,843,136**	**–**	**238,843,136**

		Fair value measurement using inputs			
31 December 2024	***Book value***	***Level 1***	***Level 2***	***Level 3***	***Total***
Assets for which fair values are disclosed					
Amounts due from financial institutions	47,518,955	–	47,518,955	–	47,518,955
Investment securities	254,009,790	277,341,192		–	277,341,192
Loans to customers	766,612,520	–	–	765,854,507	765,854,507
Amounts due from the microfinance organisation	–	–	–	–	–
Liabilities for which fair values are disclosed					
Amounts due to financial institutions	26,535,020	–	25,419,232	–	25,419,232
Amounts due to customers	1,083,571,305	–	1,106,326,017	–	1,106,326,017
Subordinated debt	1,000,000	–	1,000,000	–	1,000,000
Lease liabilities	4,844,101	–	–	4,844,101	4,844,101
Amounts payable to the mortgage organisation	248,307,105	–	235,816,543	–	235,816,543

Valuation techniques and assumptions

The following describes the methodologies and assumptions used to determine fair values for assets and liabilities recorded at fair value in the separate financial statements and those items that are not measured at fair value in the separate statement of financial position, but whose fair value is disclosed.

(In thousands of tenge, unless otherwise indicated)

35. Fair value measurement (continued)

Valuation techniques and assumptions (continued)

Financial assets and liabilities for which fair value approximates their carrying amount

In the case of financial assets such as cash and cash equivalents and other financial assets, and financial liabilities such as payables under repurchase agreements and other financial liabilities, which are liquid or have a short maturity (less than three months), their fair value is assumed to approximate their carrying amount. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Derivative financial instruments

Derivative financial assets and liabilities valued using valuation models with market observable inputs are mainly currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves

Financial assets and liabilities measured at amortised cost

Fair value of the quoted bonds is based on price quotations as at the reporting date. The fair value of unquoted instruments, loans to customers, customer funds, balances with other banks and financial institutions, amounts due to banks and other financial institutions, subordinated loans, and other financial assets and liabilities is measured by discounting future cash flows using current market rates applicable to debt instruments with similar terms, credit risk, and maturities.

Property, plant and equipment - land and buildings

The fair value of the Bank's land and buildings was determined using the comparative approach.

This means that valuations are based on market transaction prices, significantly adjusted for difference in the nature, location or condition of the specific property. In determining the cost of a similar building, the Bank applies judgement on the impact on the market value of the following aspects:

- Negotiation adjustments range from 5% to 15%;
- Adjustments for building floor area -10% to +10%;
- Other adjustments.

An increase in the bargaining adjustment would result in a decrease in the fair value of land and buildings. An increase in adjustments for building size and location would result in an increase in the fair value of land and buildings.

36. Related party transactions

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

Related parties of the Bank include the shareholders of the Bank and the members of the Board of Directors, Management and subsidiary. Other related parties include entities in which a significant portion of the voting shares is held, directly or indirectly, by a shareholder of the Bank or by individuals exercising significant influence over the Bank, as well as any person who is expected to influence, or be influenced by, such individuals in their transactions with the Bank.

Related parties may enter into transactions which unrelated parties might not. Prices and terms of such transactions may differ from prices and terms of transactions between unrelated parties.

(In thousands of tenge, unless otherwise indicated)

36. Related party transactions (continued)

Amounts of related party transactions as at 31 December 2025 and 2024 is presented below:

	31 December 2025				
	Parent	***Key management personnel***	***Subsidiaries***	***Entities under common control***	***Other related parties***
Assets					
Cash and cash equivalents	**199,377**	**–**	**6,532,110**	**–**	**–**
Trading securities	**–**	**–**	**–**	**–**	**3,377,048**
Loans to customers	**–**	**–**	**–**	**–**	**622,132**
ECL allowance on loans to customers	**–**	**–**	**–**	**–**	**(1,320)**
Amounts due from the microfinance organisation	**–**	**–**	**–**	**–**	**10,085,314**
ECL allowance on the amounts due from the microfinance organisation	**–**	**–**	**–**	**–**	**(458,050)**
Other assets	**–**	**–**	**467,217**	**10,344,701**	**–**
Liabilities					
Amounts due to customers	**14,515,478**	**452,405**	**–**	**76,973,738**	**27,686,398**
Amounts due to financial institutions	**–**	**–**	**6,452,219**	**–**	**–**
Subordinated debt	**1,040,000**	**–**	**–**	**–**	**–**
Other liabilities	**1,579**	**229**	**549,329**	**2,091,803**	**9,240**

	31 December 2024				
	Parent	***Key management personnel***	***Subsidiaries***	***Entities under common control***	***Other related parties***
Assets					
Cash and cash equivalents	180,120	–	–	–	–
Loans to customers	–	–	–	–	439,651
ECL allowance on loans to customers	–	–	–	–	(1,806)
Amounts due from the microfinance organisation	–	–	–	–	–
ECL allowance on the amounts due from the microfinance organisation	–	–	–	–	–
Other assets	–	–	–	14,799	5,287
Liabilities					
Amounts due to customers	8,177,553	332,710	–	51,731,575	22,502,230
Amounts due to financial institutions	–	–	–	–	–
Subordinated debt	1,000,000	–	–	–	–
Other liabilities	10,291	231	–	7,659	2,172

In 2025, the Bank acquired microloans from Freedom Finance Credit Microfinance Organisation LLP, a related party of the Bank classified under "Other related parties," in the amount of KZT 108,896,815 thousand (2024: KZT 70,989,131 thousand) *(Note 13)*.

(In thousands of tenge, unless otherwise indicated)

36. Related party transactions (continued)

Below are the income and expense line items arising from transactions with related parties for the years ended 31 December 2025 and 2024.

	2025					*2024*				
	Parent	*Key management personnel*	*Subsidiary*	*Entities under common control*	*Other related parties*	*Parent*	*Key management personnel*	*Subsidiary*	*Entities under common control*	*Other related parties*
Interest income on loans to customers	**–**	**81**	**–**	**18,511**	**282,244**	–	–	–	–	74,354
Interest income on other assets	**–**	**–**	**62,026**	**–**	**–**	–	–	–	–	–
Credit loss income/(expenses)	**–**	**–**	**–**	**5,171,159**	**(468)**	–	9	–	–	(257)
Interest expense on customer funds	**–**	**(7,591)**	**–**	**(257,301)**	**(707,629)**	–	(8,602)	–	(111,289)	(605,442)
Interest expense on subordinated debt	**(80,000)**	**–**	**–**	**–**	**–**	(80,000)	–	–	–	–
Other interest expenses	**–**	**–**	**(16,781)**	**–**	**–**	–	–	–	–	–
Fee and commission income	**20,792**	**771**	**–**	**4,474,240**	**73,417**	26,940	1,888	–	160,572	82,188
Fee and commission expense	**(31,488)**	**–**	**–**	**(3,251,877)**	**–**	(1,372,071)	–	–	(78,935)	–
Net foreign exchange gain	**983,210**	**888,453**	**–**	**–**	**1,627,848**	215,572	1,437	–	–	1,927,087
Net gains on financial instruments at fair value through profit or loss	**–**	**–**	**–**	**–**	**435,349**	–	–	–	–	–
			–					–		
Compensation of losses	**–**	**–**	**–**	**–**	**17,140,283**	–	–	–	–	–
Other income	**–**	**930**	**–**	**879,692**	**–**	–	–	–	–	–
Other operating expenses	**–**	**–**	**–**	**(208,514)**	**(1,128,242)**	(18,393)	(19,506)	–	(935,192)	(1,074,803)

(In thousands of tenge, unless otherwise indicated)

36. Related party transactions (continued)

The nominal interest rates and maturities of transactions with related parties as at 31 December 2025 and 2024 are presented as follows:

	31 December 2025				***31 December 2024***			
	Parent	***Key management personnel***	***Entities under common control***	***Other related parties***	***Parent***	***Key management personnel***	***Entities under common control***	***Other related parties***
Loans to customers								
Year of maturity	**–**	**–**	**–**	**2026-2049**	–	–	–	2026-2049
Annual interest rate in KZT	**–**	**–**	**–**	**7.00-40.00%**	–	–	–	7.00-40.00%
Amounts due to customers								
Year of maturity	**Perpetual**	**2026-2028**	**2026**	**2026-2030**	Perpetual	2024-2026	2026	2024-2029
Annual interest rate in KZT	**–**	**8.80%-17.21%**	**0.10%**	**0.10%-18.20%**	–	0.10%-16.20%	0.10%	0.10%-16.20%
Annual interest rate in USD/EUR	**–**	**1.00%**	**–**	**0.10%-1.10%**	–	0.80%-1.00%	–	0.10%-1.10%
Subordinated debt								
Year of maturity	**Perpetual**	**–**	**–**	**–**	Perpetual	–	–	–
Annual interest rate in KZT	**8.00%**	**–**	**–**	**–**	8.00%	–	–	–

The information below presents the amount of remuneration paid to seven (7) members of key management personnel for the years ended 31 December:

	2025	***2024***
Salaries and other short-term employee benefits	**329,274**	298,798
Long-term employee benefits	**110,531**	–
Social security contributions	**53,953**	31,365
Total	**493,758**	330,163

In 2025, the remuneration of key management personnel recognised in staff costs in the table above included expenses related to long-term employee benefits amounting to KZT 110,531 thousand.

(In thousands of tenge, unless otherwise indicated)

37. Maturity analysis of assets and liabilities

The table below presents assets and liabilities as at 31 December 2025 and 31 December 2024, analysed by their expected maturities.

	31 December 2025			***31 December 2024***		
Assets	***Within one year***	***More than one year***	***Total***	***Within one year***	***More than one year***	***Total***
Cash and cash equivalents	**373,076,228**	**–**	**373,076,228**	254,681,637	–	254,681,637
Amounts due from financial institutions	**50,125,691**	**–**	**50,125,691**	47,518,955	–	47,518,955
Trading securities	**590,530,862**	**–**	**590,530,862**	73,275,758	1,093,063,974	1,166,339,732
Investment securities	**40,159,212**	**429,818,945**	**469,978,157**	21,197,876	232,811,914	254,009,790
Derivative financial assets	**–**	**–**	**–**	397,649	–	397,649
Loans to customers	**112,488,486**	**883,200,153**	**995,688,639**	74,040,645	692,571,875	766,612,520
Amounts due from the microfinance organisation	**5,036,830**	**4,590,434**	**9,627,264**	–	–	–
Property and equipment	**–**	**43,059,486**	**43,059,486**	–	26,921,975	26,921,975
Right-of-use assets	**–**	**3,810,281**	**3,810,281**	–	4,261,838	4,261,838
Intangible assets	**–**	**14,804,809**	**14,804,809**	–	8,844,404	8,844,404
Investments in subsidiaries	**–**	**4,124,561**	**4,124,561**	–	4,564,000	4,564,000
Current corporate income tax assets	**960,699**	**–**	**960,699**	230,844	–	230,844
Other assets	**10,200,776**	**13,581,375**	**23,782,151**	8,013,734	–	8,013,734
Total assets	**1,182,578,784**	**1,396,990,044**	**2,579,568,828**	479,357,098	2,063,039,980	2,542,397,078
Liabilities						
Derivative financial liabilities	**101,039**	**–**	**101,039**	–	–	–
Accounts payable under repurchase agreements	**470,655,418**	**–**	**470,655,418**	957,349,633	–	957,349,633
Amounts due to customers	**1,164,618,746**	**345,966,199**	**1,510,584,945**	727,042,801	356,528,504	1,083,571,305
Amounts due to financial institutions	**24,613,538**	**36,555,940**	**61,169,478**	19,691,760	6,843,260	26,535,020
Amounts payable to the mortgage organisation	**366,641**	**262,709,731**	**263,076,372**	317,847	247,989,258	248,307,105
Lease liabilities	**1,992,753**	**2,730,222**	**4,722,975**	1,460,025	3,384,076	4,844,101
Subordinated debt	**40,000**	**1,000,000**	**1,040,000**	–	1,000,000	1,000,000
Deferred corporate income tax liabilities	**–**	**2,265,494**	**2,265,494**	–	1,319,461	1,319,461
Other liabilities	**18,851,805**	**–**	**18,851,805**	11,236,620	–	11,236,620
Total Liabilities	**1,681,239,940**	**651,227,586**	**2,332,467,526**	1,717,098,686	617,064,559	2,334,163,245
Net position	**(498,661,156)**	**745,762,458**	**247,101,302**	(1,237,741,588)	1,445,975,421	208,233,833

(In thousands of tenge, unless otherwise indicated)

37. Maturity analysis of assets and liabilities (continued)

Liabilities that are repayable on demand are presented in the table above as if a demand for repayment had been made. However, the Bank expects that many customers will not demand repayment on the earliest date on which the Bank would be required to make the corresponding payment. Moreover, the Bank believes that, if necessary, it would be able to dispose of investment securities within a short period of time, as these securities are highly liquid. The Bank also has alternative liquidity funding instruments available in the event of unforeseen liquidity stress, including financial support from the Parent entity.

38. Capital adequacy

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

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.

In accordance with the applicable requirements set by the NBRK, banks are required 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 (k1.1);
- A ratio of Tier1 capital (net of investments) 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 (k1.1);
- Ratio of regulatory capital to the total amount of assets and contingent and potential liabilities weighted by credit risk, as well as assets, contingent and potential claims and obligations calculated with consideration of market risk and a quantitative measure of operational risk (k2).

For the purposes of calculating the above ratios, investments represent equity investments (participating interests in the share capital) of a legal entity, as well as subordinated debt of a legal entity, the aggregate amount of which exceeds 10% of the Bank's total Tier 1 and Tier 2 capital.

As at 31 December 2025 and 2024, the Bank's capital adequacy ratios calculated in accordance with the requirements of the NBRK were as follows:

	31 December 2025	*31 December 2024*
Tier 1 capital	**235,893,342**	201,859,061
Tier 2 capital	**–**	–
Total regulatory capital	**235,893,342**	201,859,061
Total regulatory risk-weighted assets, contingent liabilities, derivative financial instruments, and exposures to operational and market risk	**1,375,592,143**	**1,193,895,741**
Capital adequacy ratio k1-1 (minimum 7.5%)	**17.1%**	16.9%
Capital adequacy ratio k1-2 (minimum 8.5%)	**17.1%**	16.9%
Capital adequacy ratio k2 (minimum 10.0%)	**17.1%**	16.9%

39. Subsequent events

As at the date of approval of these separate financial statements, management is not aware of any events that would require additional disclosure.