Industrial and Commercial Bank of China (Almaty) JSC

Financial statements

for 2025
together with independent auditor's report

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Independent auditor's report

To the Shareholder and the Board of Directors of the Industrial and Commercial Bank of China (Almaty) JSC

Opinion

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

In our opinion, the accompanying 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 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.

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

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

In preparing the 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 are responsible for overseeing the Bank's financial reporting process.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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.

Ernst & Young LLP

Mukan Otegen Auditor	Rustamzhan Sattarov General Director Ernst & Young LLP
Auditor Qualification Certificate № МФ-0001859 dated 11 August 2021	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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3 April 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(in thousands of tenge)

	Notes	*2025*	*2024**
Interest revenue calculated using the effective interest method			
Cash and cash equivalents		**16,123,590**	14,868,251
Amounts due from banks and other financial institutions		**480,227**	66,857
Investment securities measured at amortised cost		**12,745,069**	7,010,510
Loans to customers		**6,978,617**	3,293,722
		36,327,503	25,239,340
Interest expense on financial liabilities measured at amortised cost			
Amounts due to customers		**(5,914,920)**	(4,045,383)
Other borrowed funds		**(58,017)**	(65,049)
Lease liabilities		**(44,160)**	(14,092)
		(6,017,097)	(4,124,524)
Net interest income before credit loss expense		**30,310,406**	21,114,816
Credit loss expense	6	**(317,095)**	(1,288,010)
Net interest income after credit loss expenses		**29,993,311**	19,826,806
Commission income	5	**746,518**	445,181
Commission expenses	5	**(165,500)**	(72,676)
Net fee and commission income		**581,018**	372,505
Net gains from foreign currencies:			
- dealing		**9,173,906**	6,586,777
- translation differences		**(754,153)**	(112,794)
Other income		**1,747**	4,001
Non-interest income		**9,002,518**	6,850,489
Personnel expenses	7	**(2,092,632)**	(1,783,756)
Other operating expenses	8	**(934,942)**	(535,827)
Taxes other than corporate income tax		**(159,653)**	(93,157)
Depreciation and amortization		**(287,113)**	(146,009)
Non-interest expense		**(3,474,340)**	(2,558,749)
Profit before corporate income tax expense		**35,521,489**	24,118,546
Corporate income tax expense	9	**(6,625,251)**	(3,590,965)
Profit for the year		**28,896,238**	20,527,581
Other comprehensive income		**–**	–
Total comprehensive income for the year		**28,896,238**	20,527,581

* *Certain amounts presented in this column are not consistent with the financial statements for 2024 as they reflect reclassifications made disclosed in Note 2.*

On behalf of the Management Board of the Bank:

[illegible]ngHai — Chairman of the Management Board

Al[illegible]umova — Chief Accountant

3 April 2026
Almaty, Kazakhstan

The accompanying notes on pages 5 to 43 are an integral part of these financial statement.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

(in thousands of tenge)

	Notes	*31 December 2025*	*31 December 2024*
Assets			
Cash and cash equivalents	10	305,419,547	240,760,957
Amounts due from banks and other financial institutions	11	13,057,931	3,889,947
Loans to customers	12	154,972,168	33,716,354
Investment securities measured at amortised cost	13	141,336,431	78,708,571
Property and equipment and intangible assets	15	932,229	613,083
Right-of-use assets	14	571,931	692,573
Deferred tax assets	9	394,420	159,063
Other assets		100,285	261,675
Total assets		616,784,942	358,802,223
Liabilities			
Amounts due to banks and other financial institutions	16	169,397,250	67,422,250
Amounts due to customers:			
- Current accounts and deposits of corporate customers	17	319,649,333	177,201,995
- Current accounts and deposits of government entities	17	534,072	835,981
- Current accounts and deposits of retail customers	17	10,570,080	12,354,966
Other borrowed funds	18	–	13,144,808
Lease liabilities	14	590,511	743,521
Current corporate income tax liabilities		141,428	227,343
Other liabilities		636,814	502,143
Total liabilities		501,519,488	272,433,007
Equity			
Share capital	19	8,933,491	8,933,491
General banking reserve	19	1,653,592	1,653,592
Retained earnings		104,678,371	75,782,133
Total equity		115,265,454	86,369,216
Total equity and liabilities		616,784,942	358,802,223

The accompanying notes on pages 5 to 43 are an integral part of these financial statement.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

(in thousands of tenge)

	Share capital	*General banking reserve*	*Retained earnings*	*Total*
31 December 2023	8,933,491	1,653,592	55,254,552	65,841,635
Total comprehensive income for the year	–	–	20,527,581	20,527,581
31 December 2024	8,933,491	1,653,592	75,782,133	86,369,216
Total comprehensive income for the year	–	–	28,896,238	28,896,238
31 December 2025	8,933,491	1,653,592	104,678,371	115,265,454

The accompanying notes on pages 5 to 43 are an integral part of these financial statement.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

(in thousands of tenge)

	Notes	*2025*	*2024*
Cash flows from operating activities			
Interest income received		30,830,300	22,074,394
Interest expense paid		(5,724,819)	(4,361,536)
Fees and commissions received		746,555	445,181
Fees and commissions paid		(150,545)	(72,676)
Net realized gains from dealing in foreign currencies		9,173,906	6,586,777
Other income received		1,747	–
Personnel expenses paid		(2,065,867)	(1,679,794)
Other operating expenses paid		(923,541)	(636,537)
Cash flows from operating activities before changes in operating assets and liabilities		31,887,736	22,355,809
Net decrease/(increase) in operating assets			
Amounts due from banks and other financial institutions		(9,432,752)	(2,846,816)
Loans to customers		(121,196,093)	(21,123,543)
Other assets		(47,958)	(216,219)
Net increase/(decrease) in operating liabilities			
Due to banks and other financial institutions		105,428,792	26,327,788
Amounts due to customers		147,391,908	(65,048,716)
Other liabilities		(36,416)	97,137
Net cash from/(used in) operating activities before corporate income tax		153,995,217	(40,454,560)
Corporate income tax paid		(6,946,523)	(3,486,703)
Net cash from/(used in) operating activities		147,048,694	(43,941,263)
Cash flows from investing activities			
Purchase of investment securities		(105,080,423)	(75,466,530)
Proceeds from redemption of investment securities		47,564,000	51,171,706
Purchase of property and equipment and intangible assets		(352,593)	(38,501)
Net cash flow used in investing activities		(57,869,016)	(24,333,325)
Cash flows from financing activities			
Proceeds from other borrowed funds	18	65,235,137	98,886,050
Repayment of other borrowed funds	18	(77,834,041)	(97,828,698)
Payment of principal portion of lease liabilities		(78,419)	(6,302)
Net cash (used in)/from financing activities		(12,677,323)	1,051,050
Net change in cash and cash equivalents		76,502,355	(67,223,538)
Effect of exchange rates changes on cash and cash equivalents		(11,850,460)	23,672,395
Effect of expected credit losses on cash and cash equivalents	6	6,695	(19,598)
Cash and cash equivalents as at 1 January		240,760,957	284,331,698
Cash and cash equivalents as at 31 December	10	305,419,547	240,760,957

The accompanying notes on pages 5 to 43 are an integral part of these financial statements.

(in thousands of tenge)

1. Principal activities

Organizational structure and activities

Industrial and Commercial Bank of China (Almaty) JSC (hereinafter – the "Bank") was established in the Republic of Kazakhstan on 3 March 1993. The principal activities of the Bank are deposit accepting, opening and maintenance of the customer accounts, lending, issuing guarantees, cash and settlement operations and transactions with securities and foreign currencies. The activities of the Bank are regulated by the Agency of the Republic of Kazakhstan for Regulation and Development of the Financial Market (hereinafter – the "Agency") and the National Bank of the Republic of Kazakhstan (hereinafter – the "NBRK"). The Bank holds a general banking license №1.1.37 issued on 3 February 2020.

The Bank's registered office is rooms 845 and 846, 150/230 Abai Avenue, corner of Turgut Ozal Street, block 7, Almaty, 050046, Republic of Kazakhstan.

In 2025, the Bank opened a branch in the city of Astana and did not have any subsidiaries. In 2024, the Bank had no branches and subsidiaries.

Shareholders

As at 31 December 2025 and 2024 the sole shareholder of the Bank is Industrial and Commercial Bank of China (hereinafter – the "Parent Bank"), which is incorporated and operates in the People's Republic of China. The ultimate controlling party is the People's Republic of China (hereinafter – the "Shareholder"). Details of related party transactions are disclosed in *Note 24.*

Operating environment

Emerging markets such as Kazakhstan are subject to different risks than more developed markets, including economic, political social, legal and legislative risks. Laws and regulations affecting businesses in Kazakhstan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory and political environment.

Geopolitical environment

As a result of the conflict between the Russian Federation and Ukraine many countries have imposed, and continue to impose, new sanctions on specific Russian entities and individuals. 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 consequences of the current situation may directly or indirectly impact entities other than those with direct interests in the involved in the conflict countries.

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

As at 31 December 2025, the concentration of amounts due from Russian counterparties, comprising amounts in current accounts amounted to KZT 3,873 thousand (31 December 2024: KZT 3,591 thousand).

Inflation and current economic conditions

Prices of many commodities, including food, remain high. In 2025, according to the NBRK, inflation in the Republic of Kazakhstan amounted to 12.3% per annum. On 27 November 2025, the Monetary Policy Committee of the NBRK made a decision to approve the base rate at 18.00% per annum with an interest rate collar of +/- 1%.

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 affect the assumptions and estimation uncertainty associated with the measurement of assets and liabilities.

(in thousands of tenge)

2. Basis of preparation

General

The financial statements of the Bank have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB).

The Bank presents its statement of financial position in order of liquidity based on the Bank's intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in *Note 24.*

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are presented in thousands of tenge ("tenge" or "KZT"), unless otherwise indicated.

The financial statements were authorised for issue by the Management Board of the Bank on 3 April 2026.

Reclassifications

The following reclassifications have been made to the statement of profit or loss and other comprehensive income for 2024 to conform to the 2025 presentation:

Statement of profit or loss and other comprehensive income	*As previously reported*	*Reclassification*	*As adjusted*
Net fee and commission income	372,505	(372,505)	–
Fee and commission income	–	445,181	445,181
Fee and commission expense	–	(72,676)	(72,676)
Net fee and commission income	372,505	–	372,505
Profit for the year	20,527,581	–	20,527,581

3. Summary of 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 - *Lack of exchangeability.*

The new amendments had no impact on the Bank's financial statements.

The Bank has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Transactions in foreign currencies

Transactions in foreign currencies are translated to the functional currency at the exchange rate quoted by the Kazakhstan Stock Exchange ("KASE") at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Gains and losses resulting from the translation of foreign currency transactions are recognised in the statement of profit or loss and other comprehensive income within "*Net gains from foreign currencies – translation differences*". Non-monetary assets and liabilities denominated in foreign currencies that are stated at cost are translated at the exchange rate at the date of the transaction.

Differences between the contractual exchange rate of a transaction in a foreign currency and the official exchange rate at the date of the transaction are included in net gains or losses on foreign currency transactions. As at 31 December 2025 and 2024, the official exchange rates were as follows:

	31 December 2025	*31 December 2024*
KZT/USD	505.53	525.11
KZT/CNY	72.33	71.94
KZT/EUR	593.44	546.74
KZT/RUB	6.34	4.88

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Fair value measurements

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

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

The principal or the most advantageous market must be accessible by the 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. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 at fair value 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.

Initial measurement

The classification of financial instruments at initial recognition depends on the 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 fair value through profit or loss, 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;
- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL).

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Financial assets and liabilities (continued)

Initial measurement (continued)

Measurement categories of financial assets and liabilities (continued)

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.

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 banks and other financial institutions, investment securities, loans to customers, and other financial assets measured at amortised cost

The Bank measures amounts due from banks and other financial institutions, investment securities, loans to customers and other financial assets at amortised cost if both of the following conditions are met:

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

The details of these conditions are outlined below.

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.

SPPI Test (solely payments of principal and interest on the principal amount outstanding)

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 FVTPL.

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Financial assets and liabilities (continued)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, amounts due from the NBRK and other banks, obligatory reserves in the NBRK and highly liquid assets that mature within three months of the date of origination and are free from contractual encumbrances.

Borrowings

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

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 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 the statement of profit or loss, and an ECL provision.

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

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

Performance guarantees

Performance guarantees are contracts that provide compensation if another party fails to perform a contractual obligation. The risk under performance guarantee contracts is the possibility that the failure to perform the contractual obligation by another party occurs.

Derecognition of financial assets and liabilities

Financial assets

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

- The rights to receive cash flows from the asset have expired;
- The Bank has transferred its rights to receive cash flows from the asset, or retained the right 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 either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

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

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Derecognition of financial assets and liabilities (continued)

Financial assets (continued)

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

Write-off

Financial assets are written off 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 recoveries are credited to credit loss expense. A write-off constitutes a derecognition event.

Financial liabilities

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

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 revenue and expense

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

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

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.

Fee and commission income

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

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

Fees earned for the provision of services over a period of time are accrued over that period as respective performance obligations are satisfied. These 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 income from providing transaction services

Fees and commission arising from settlement transactions, transactions with cash and other services are recognised on completion of the underlying transaction. Fees or components 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.

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Property and equipment

Property and equipment are carried at cost less accumulated depreciation and any accumulated impairment. Such cost includes the cost of replacing part of equipment when that cost is incurred if the recognition criteria are met.

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

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 and structures	10-30
Computer equipment	3
Vehicle	6
Other	5-10

The asset's residual values, useful lives and methods are reviewed, and adjusted as appropriate, at each financial year-end.

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

Capital

Share capital

Common shares are classified as equity. External costs directly attributable to the issue of new shares, other than on a business combination, are shown as a deduction from the proceeds in equity. Any excess of the fair value of consideration received over the par value of shares issued is recognised as additional paid-in capital.

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 values for separate 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.

A deferred tax asset is recorded 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 tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

Deferred income tax is recognised on temporary differences arising from investments in subsidiaries, associates and joint ventures, except where 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.

Standards issued but not yet effective

The new standards, amendments and interpretations that are issued, but not yet effective, up to the date of issuance of the Bank's financial statements are disclosed below. The Bank plans to adopt these new standards, amendments and interpretations if applicable, when they become effective.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

(in thousands of tenge)

3. Summary of material accounting policies (continued)

Standards issued but not yet effective (continued)

IFRS 18 Presentation and Disclosure in Financial Statements (continued)

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss.' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Bank is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date;
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed;
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments;
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income.

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Bank does not anticipate that the amendments will have a material effect on the Bank's financial statements..

Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The Bank does not anticipate that the amendments will have an impact on the Bank's financial statements.

4. Significant accounting judgments and estimates

Estimation uncertainty

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

Expected credit losses on financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. In addition, large-scale business disruptions may give rise to liquidity issues for some entities and consumers. 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.

(in thousands of tenge)

4. Significant accounting judgments and estimates (continued)

Estimation uncertainty (continued)

Expected credit losses on financial assets (continued)

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

- The Bank's internal credit grading model, which assigns PDs to the individual grades;
- The Bank's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulae and the choice of inputs;
- Determination of associations between macroeconomic scenarios and PDs, EADs and LGDs;
- Selection of forward-looking macroeconomic scenarios and their probability weightings to derive the economic inputs into the ECL models.

The amount of ECL allowance on loans to customers recognised in the statement of financial position as at 31 December 2025 was KZT 1,735,788 thousand (31 December 2024: KZT 1,402,706 thousand). More details are provided in *Note 12*.

5. Net fee and commission income

	2025	*2024*
Fee and commission income		
Transfer operations	298,489	232,310
Agency services	127,693	97,856
Guarantees and letters of credit	52,121	1,193
Cash operations	2,927	4,424
Other fee and commission income	265,288	109,398
Total fee and commission income	746,518	445,181
Fee and commission expense		
Transfer operations	(110,160)	(38,364)
Payment card maintenance	(106)	(72)
Other fee and commission expense	(55,234)	(34,240)
Total fee and commission expense	(165,500)	(72,676)
Net fee and commission income	581,018	372,505

Fee income for agency services includes commissions received by the Bank when issuing syndicated loans to residents and non-residents of the Republic of Kazakhstan for participating as an agent in cooperation with the Development Bank of Kazakhstan, ICBC Turkey Yatirim Menkul Degerler A.S., ICBC Turkey Bank A.S., Ankara Branch, ICBC Dubai, the Asian Infrastructure Investment Bank, and the European Bank for Reconstruction and Development. The Bank provides loan administration services. Agency fees for transaction support and arrangement of syndicated loans are recognized over time as the related services are rendered. Fee for other transactions is recognized at the time of the related transactions.

Fee and commission income on transfer transactions and issuance of guarantees and letters of credit, which are not integral to the effective interest rate on a financial asset or financial liability, is recognised depending on the type of the service either at the point in time or as the Bank satisfies its performance obligation under the contract:

a. Commissions for transfer operations and cash operations are charged for execution of customers' payment orders in accordance with the tariffs depending on the type of transaction and is recognised as income at the time when transaction is performed;

b. Commissions for guarantees and letters of credit issuance are paid by customers in advance and are recognised as income over the term of validity of a relevant guarantee or letter of credit.

As at 31 December 2025 and 2024, the Bank recognised contract liabilities related to contracts with customers in the statement of financial position within other liabilities in the amount of KZT 50,857 thousand and 32,887 thousand, respectively.

(in thousands of tenge)

6. Credit loss expense

	2025	*2024*
Cash and cash equivalents *(Note 10)*	(6,695)	19,598
Loans to customers *(Note 12)*	288,060	1,197,928
Amounts due from banks and other financial institutions *(Note 11)*	4,860	70,484
Investment securities measured at amortised cost *(Note 13)*	30,870	–
Total credit loss expense	317,095	1,288,010

7. Personnel expenses

Personnel expenses include:

	2025	*2024*
Employee remuneration	1,822,388	1,598,916
Payroll related taxes and social security contributions	270,244	184,840
Total personnel expenses	2,092,632	1,783,756

8. Other operating expenses

Other operating expenses include:

	2025	*2024*
Information and communication services	275,334	111,120
Professional services	263,531	115,209
Business travel expenses	81,868	54,422
Security	45,406	43,533
Utilities	37,108	29,338
Deposit insurance	29,783	15,158
Advertising expenses	27,866	2,301
Membership fees	21,430	21,195
Insurance	18,899	17,242
Training expenses	18,204	10,466
Representation expenses	16,898	10,844
Office supplies	4,402	6,551
Transportation expenses	4,345	4,166
Repairs and maintenance	3,310	402
Translation and notary services	3,219	2,021
Cash collection	1,130	452
Information technology services	878	14,455
Other	81,331	76,952
Total other operating expenses	934,942	535,827

For the year ended 31 December 2025 amount of audit and non-audit fees charged to the Bank by all EY member firms amounted to KZT 12,793 thousand and KZT 376 thousand, respectively, including VAT (in 2024: KZT 12,793 thousand, including VAT).

9. Taxation

Corporate income tax expense includes the following:

	2025	*2024*
Current income tax expense	6,860,608	3,714,881
Deferred tax benefit – origination and reversal of temporary differences	(235,357)	(123,916)
Total corporate income tax expense	6,625,251	3,590,965

The Republic of Kazakhstan is the only tax jurisdiction in which the Bank's income is taxable. In accordance with tax legislation the applied corporate income tax rate is 20% in 2025 and 2024.

(in thousands of tenge)

9. Taxation (continued)

Below is a reconciliation of income tax expenses using a statutory rate with the corporate income tax expense recorded in the financial statements:

	2025	*2024*
Profit before corporate income tax expense	35,521,489	24,118,546
Statutory tax rate	20%	20%
Theoretical corporate income tax expense at the statutory rate	7,104,298	4,823,709
Non-taxable income on state securities	(2,423,997)	(1,394,517)
Taxable income on government securities and NBRK deposits at 10%	2,018,783	–
Non-deductible credit loss expense	–	148,843
Other non-deductible expenses	(73,833)	12,930
Corporate income tax expense	6,625,251	3,590,965

On 18 July 2025, the President of the Republic of Kazakhstan signed the Law "*On Amendments and Supplements to Certain Legislative Acts of the Republic of Kazakhstan on Taxation*", and amended the Tax Code of the Republic of Kazakhstan. In accordance with the new provisions of the Tax Code, an additional corporate income tax rate of 10% was established on the following types of income earned in 2025:

- Capital gains from government-issued securities (net of losses from disposal of government-issued securities);
- Income from foreign exchange and interest rate swap transactions concluded for a term of up to one year (net of losses from foreign exchange and interest rate swap transactions concluded for a term of up to one year), as determined in accordance with Article 279 of the Tax Code;
- Interest income on repurchase (repo) transactions concluded for a term of up to one year (net of interest expense on repurchase transactions concluded for a term of up to one year);
- Interest income on government-issued securities;
- Interest income on deposits placed with the National Bank of Kazakhstan for a term of up to one year.

The Bank assessed the impact of these amendments on its current income tax liabilities for the year ended 31 December 2025 and recognised the corresponding adjustments in the statement of profit or loss and other comprehensive income.

Deferred tax assets and liabilities

Temporary differences between the carrying amounts of assets and liabilities recorded in the financial statements and the amounts used for the purposes of calculation of taxable base, give rise to net deferred tax assets and liabilities as at 31 December 2025 and 2024. The future tax benefits will only be received in the event that there are no changes in the legislation of Kazakhstan that would adversely affect the Bank's ability to utilise such benefits in future periods.

In addition to the above amendments to the Tax Code dated 18 July 2025, effective from 1 January 2026, the corporate income tax rate for second-tier banks will be 20% for income from lending to business and 25% for income from other activities. In addition, the value-added tax exemption for banking financial transations will be abolished, as well as certain tax incentives aimed at reducing taxable income based on interest income and gains from government securities included in the official listing of the Kazakhstan Stock Exchange. The VAT rate has been increased to 16%.

The Bank assessed the impact of changes in tax legislation on its deferred tax assets and liabilities as at 31 December 2025 and recognised the corresponding adjustments in the statement of profit or loss and other comprehensive income.

The Bank continues to assess the impact of changes in tax legislation.

(in thousands of tenge)

9. Taxation (continued)

Deferred tax assets and liabilities (continued)

Deferred corporate income tax assets and liabilities as at 31 December and their movements for the respective years comprise:

	31 December 2023	*Origination and reversal of temporary differences in profit or loss*	*31 December 2024*	*Origination and reversal of temporary differences in profit or loss*	*31 December 2025*
Loans to customers	28,774	33,324	62,098	308,144	370,242
Property and equipment and intangible assets	–	23,710	23,710	(23,710)	–
Lease liabilities	–	148,704	148,704	(1,076)	147,628
Other liabilities	44,437	18,629	63,066	(9,143)	53,923
Deferred tax asset	73,211	224,367	297,578	274,215	571,793
Property and equipment and intangible assets	(38,064)	38,064	–	(34,390)	(34,390)
Right-of-use assets	–	(138,515)	(138,515)	(4,468)	(142,983)
Deferred tax liability	(38,064)	(100,451)	(138,515)	(38,858)	(177,373)
Net deferred corporate income tax assets/(liabilities)	35,147	123,916	159,063	235,357	394,420

10. Cash and cash equivalents

	31 December 2025	*31 December 2024*
Cash on hand	363,977	144,242
Cash on current accounts with the NBRK rated BBB-	38,612,105	8,120,218
Current accounts with other banks		
- rated from A- to A+	99,823,264	64,830,874
- rated from BBB- to BBB+	21,708,307	40
- not rated	3,873	3,591
	121,535,444	64,834,505
Less: ECL allowance	(4,147)	(3,026)
Total current accounts with other banks	121,531,297	64,831,479
Time deposits with other banks up to 3 months		
Time deposits with the NBRK rated BBB-	131,760,622	164,509,934
Time deposits with other banks		
- rated from A- to A+	9,098,589	–
- not rated	4,059,215	3,173,765
	13,157,804	3,173,765
Less: ECL allowance	(6,258)	(18,681)
Total time deposits in other banks	13,151,546	3,155,084
Total time deposits with banks up to 3 months	144,912,168	167,665,018
Total cash and cash equivalents	305,419,547	240,760,957

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

As at 31 December 2025, cash held on current accounts with other banks and other financial institutions that is not rated consists of balances on current accounts with Russian counterparty in the amount KZT 3,873 thousand (31 December 2024: KZT 3,591 thousand).

As at 31 December 2025, time deposits with other banks that are not rated consist of balances with a foreign bank, a member of the ICBC Group, in the amount KZT 4,059,215 thousand. (31 December 2024: KZT 3,173,765 thousand).

(in thousands of tenge)

10. Cash and cash equivalents (continued)

All balances of cash equivalents are allocated to Stage 1 for ECL measurement purposes. An analysis of changes in the ECL allowances during 2025 and 2024 is as follows:

	2025	*2024*
ECL allowance as at 1 January	21,707	674
Net changes in ECL *(Note 6)*	(6,695)	19,598
Foreign exchange differences	(4,607)	1,435
As at 31 December	10,405	21,707

Concentration of cash and cash equivalents

As at 31 December 2025, the Bank has four banks, whose balances individually exceed 10% of the Bank's total equity (31 December 2024: three banks). As at 31 December 2025, the carrying amount of these balances is KZT 288,705,225 thousand (31 December 2024: KZT 236,167,872 thousand).

Minimum reserve requirements

In accordance with regulations issued by the NBRK, minimum reserve requirements are calculated as average of totals of specified proportions of different groups of banks liabilities for period of twenty-eight calendar days. Banks are required to comply with these requirements by maintaining average reserve assets (in the form of local currency cash on hand and balances on current accounts with the NBRK in national currency) equal or in excess of the average minimum requirements. As at 31 December 2025, the minimum reserve is KZT 24,968,300 thousand (31 December 2024: KZT 5,416,830 thousand). Minimum reserve requirements are included in cash and cash equivalents as they are highly liquid financial assets with original maturities of less than 3 months that are not subject to significant fair value risk and are used by the Bank to settle short-term liabilities.

11. Amounts due from banks and other financial institutions

Amounts due from banks and other financial institutions comprise the following:

	31 December 2025	*31 December 2024*
Amounts due from banks and other financial institutions		
- rated from A- to A+	6,778,362	–
- rated from BBB- to BBB+	6,339,318	3,946,010
Funds in financial institutions pledged as collateral:		
- with a credit rating of BBB-	25,000	–
- not rated	–	25,000
	13,142,680	3,971,010
Less: ECL allowance	(84,749)	(81,063)
Total amounts due from banks and other financial institutions	13,057,931	3,889,947

The credit rating indicated in the table above are presented by reference to the credit ratings of Standard & Poor’s credit rating agency or analogues of similar international agencies.

In September 2025, the Bank provided a loan to a second-tier Kazakhstani bank in the amount CNY 35,000 thousand, equivalent to KZT 2,647,400 thousand.

In September 2024, the Bank provided a loan to a second-tier Kazakhstani bank in the amount USD 7,500 thousand, equivalent to KZT 3,591,975 thousand.

As at 31 December 2025 and 2024, amounts due from banks and other financial institutions with no credit rating are represented by guarantee deposits with KASE Clearing Center JSC (hereinafter – “KACC”) in the amount of KZT 25,000 thousand for securing foreign currency trading, and are made in accordance with KACC requirements. These amounts are interest-free.

(in thousands of tenge)

11. Amounts due from banks and other financial institutions (continued)

All amounts due from banks and other financial institutions are allocated to Stage 1 for ECL measurement purposes. An analysis of changes in the ECL allowances during 2025 and 2024 is as follows:

	2025	*2024*
ECL allowance as at 1 January	81,063	–
Net changes in ECL *(Note 6)*	4,860	70,484
Foreign exchange differences	(1,174)	10,579
As at 31 December	84,749	81,063

12. Loans to customers

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

	31 December 2025	*31 December 2024*
Loans issued to corporate customers	156,707,956	35,119,060
Less: ECL allowance	(1,735,788)	(1,402,706)
Total loans issued to customers	154,972,168	33,716,354

As at 31 December 2025 and 2024, all loans to customers are not past due and allocated to Stage 1 for ECL measurement purposes.

Allowance for impairment of loans to customers

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

Corporate lending	*Stage 1*	*Total*
Gross carrying amount as at 1 January 2025	35,119,060	35,119,060
New assets originated or purchased	134,254,876	134,254,876
Assets repaid	(13,078,178)	(13,078,178)
Net change in accrued interest income	682,988	682,988
Foreign exchange differences	(270,790)	(270,790)
As at 31 December 2025	156,707,956	156,707,956

Corporate lending	*Stage 1*	*Total*
ECL allowance as at 1 January 2025	1,402,706	1,402,706
New assets originated or purchased	1,633,912	1,633,912
Assets repaid	(208,274)	(208,274)
Changes to models and inputs used for ECL calculations	(1,137,578)	(1,137,578)
Foreign exchange differences	45,022	45,022
As at 31 December 2025	1,735,788	1,735,788

During the reporting period, the Bank revised the model used to calculate the ECL allowance for loans to customers, which resulted in a decrease in the ECL allowance for loans to customers by KZT 959,294 thousand.

(in thousands of tenge)

12. Loans to customers (continued)

Allowance for impairment of loans to customers (continued)

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

Corporate lending	*Stage 1*	*Total*
Gross carrying amount as at 1 January 2024	12,696,325	12,696,325
New assets originated or purchased	27,713,490	27,713,490
Assets repaid	(6,599,339)	(6,599,339)
Net change in accrued interest income	192,337	192,337
Foreign exchange differences	1,116,247	1,116,247
As at 31 December 2024	35,119,060	35,119,060

Corporate lending	*Stage 1*	*Total*
ECL allowance as at 1 January 2024	143,208	143,208
New assets originated or purchased	1,303,904	1,303,904
Assets repaid	(28,870)	(28,870)
Changes to models and inputs used for ECL calculations	(77,106)	(77,106)
Foreign exchange differences	61,570	61,570
As at 31 December 2024	1,402,706	1,402,706

Collateral analysis

Loans to customers are subject to individual credit appraisal and impairment testing. The general credit worthiness of a corporate customer tends to be the most relevant indicator of credit quality of the loan extended to it. However, collateral provides an additional security and the Bank generally requests corporate borrowers to provide it.

The following table provides information on collateral and other credit enhancements securing loans to customers:

	31 December 2025	*31 December 2024*
Carrying amount of loans issued to customers		
Third-party guarantees (with a group credit rating of A)	38,397,067	15,229,443
Secured loans	3,824,724	4,102,004
Unsecured loans	112,750,377	14,384,907
Total loans issued to customers	154,972,168	33,716,354

The table above excludes amounts from overcollateralization.

Analysis of loans by industry

Loans to customers were issued to customers who operate in the following economic sectors:

	31 December 2025	*31 December 2024*
Financial services	125,472,009	15,229,443
Oil and gas	10,374,019	15,477,124
Leasing	10,148,411	–
Manufacturing	6,767,597	–
Energy	3,945,920	4,412,493
	156,707,956	35,119,060
Less: ECL allowance	(1,735,788)	(1,402,706)
	154,972,168	33,716,354

Concentration of loans to customers

As at 31 December 2025, the Bank has one borrower whose loan balance individually exceeds 10% of the Bank's total equity (31 December 2024: two borrowers). The gross value of these loans as at 31 December 2025 amount to KZT 102,582,728 thousand (31 December 2024: KZT 26,068,572 thousand).

(in thousands of tenge)

13. Investment securities measured at amortised cost

Investment securities measured at amortised cost comprise the following:

Debt securities	*31 December 2025*	*31 December 2024*
Government bonds of the Ministry of Finance of the Republic of Kazakhstan rated "BBB-"	137,764,331	70,801,701
Corporate bonds of NC KazMunayGas JSC with a credit rating of "BBB-"	3,602,710	–
Government bonds of the People's Republic of China rated "A+"	–	7,906,870
	141,367,041	78,708,571
Less: ECL allowance	(30,610)	–
Total investment securities	141,336,431	78,708,571

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

As at 31 December 2025 and 2024, no expected credit loss allowances were recognised in respect of government investment securities measured at amortised cost. All investment securities measured at amortised cost are allocated to Stage 1 for ECL measurement purposes.

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

	2025	*2024*
ECL allowance as at 1 January	–	–
Net changes in ECL *(Note 6)*	30,870	–
Foreign exchange differences	(260)	–
As at 31 December	30,610	–

14. Lease agreements

The Bank has lease agreements for office premises in 2025.

	Right-of-use assets (office premises)	*Lease liabilities*
As at 1 January 2024	–	–
Additions	707,320	707,320
Depreciation expense	(14,747)	–
Payments	–	(10,999)
Interest expense	–	9,318
Foreign exchange differences	–	37,882
As at 31 December 2024	692,573	743,521
Depreciation expense	(120,642)	–
Payments	–	(122,579)
Interest expense	–	44,160
Foreign exchange differences	–	(74,591)
As at 31 December 2025	571,931	590,511

The maturity analysis of lease liabilities is disclosed in *Note 20.*

NOTES TO THE FINANCIAL STATEMENTS (continued)

(in thousands of tenge)

15. Property and equipment and intangible assets

	Buildings and structures	*Computer equipment*	*Vehicles*	*Other*	*Total property and equipment*	*Intangible assets*
Cost						
At 1 January 2024	827,694	290,329	39,115	272,703	1,429,841	97,370
Additions	3,485	17,947	–	3,521	24,953	13,548
Disposals	–	(9,189)	(7,948)	(15,373)	(32,510)	–
At 31 December 2024	831,179	299,087	31,167	260,851	1,422,284	110,918
Additions	–	153,956	–	307,844	461,800	9,296
Disposals	(540)	(39,815)	–	(33,462)	(73,817)	(4,193)
At 31 December 2025	830,639	413,228	31,167	535,233	1,810,267	116,021
Accumulated depreciation and amortisation						
At 1 January 2024	(421,393)	(161,780)	(39,115)	(160,149)	(782,437)	(38,930)
Depreciation and amortization charge	(34,786)	(55,846)	–	(33,023)	(123,655)	(7,607)
Disposals	–	9,189	7,948	15,373	32,510	–
At 31 December 2024	(456,179)	(208,437)	(31,167)	(177,799)	(873,582)	(46,537)
Depreciation and amortization charge	(34,745)	(80,270)	–	(26,979)	(141,994)	(9,586)
Disposals	360	39,815	–	33,272	73,447	4,193
At 31 December 2025	(490,564)	(248,892)	(31,167)	(171,506)	(942,129)	(51,930)
Net book value						
At 1 January 2024	406,301	128,549	–	112,554	647,404	58,440
At 31 December 2024	375,000	90,650	–	83,052	548,702	64,381
At 31 December 2025	340,075	164,336	–	363,727	868,138	64,091

(in thousands of tenge)

16. Amounts due to banks and other financial institutions

	31 December 2025	*31 December 2024*
Amounts due to banks of the Republic of Kazakhstan	150,409,487	61,380,224
Amounts due to foreign banks	11,485,356	4,300,026
Amounts due to organizations carrying out certain types of banking operations	7,159,414	1,483,252
Amounts due to the Parent Bank	342,993	258,748
Total amounts due to banks and other financial institutions	169,397,250	67,422,250

As at 31 December 2025, the Bank has three banks, whose balances individually exceed 10% of the Bank's total equity (31 December 2024: two banks). As at 31 December 2025, the carrying amount of these balances is KZT 130,355,391 thousand (31 December 2024: 33,275,729 thousand).

17. Amounts due to customers

	31 December 2025	*31 December 2024*
Current accounts and deposits of corporate clients		
- Current accounts and demand deposits	232,339,433	90,487,980
- Term deposits	87,309,900	86,714,015
Total current accounts and deposits of corporate clients	319,649,333	177,201,995
Current accounts and deposits of state enterprises		
- Current accounts and demand deposits	534,072	835,981
Total current accounts and deposits of state enterprises	534,072	835,981
Current accounts and deposits of retail clients		
- Current accounts and demand deposits	10,570,080	12,354,966
Total current accounts and deposits of retail clients	10,570,080	12,354,966
Total amounts due to customers	330,753,485	190,392,942

As at 31 December 2025, the Bank has customer deposits in the amount KZT 6,000 thousand that serve as a collateral for credit related commitments issued by the Bank (31 December 2024: KZT 15,000 thousand) *(Note 22)*.

As at 31 December 2025, the Bank has ten clients (31 December 2024: five clients), whose account balances exceed 10% of the Bank's total equity. As at 31 December 2025, the carrying amount of these balances is KZT 161,565,471 thousand (31 December 2024: KZT 53,514,166 thousand).

18. Other borrowed funds

As at 31 December 2025, other borrowings were nil.

As at 31 December 2024, other borrowings comprised a loan obtained from the Parent Bank in the amount of KZT 13,144,808 thousand, denominated in US dollars, with a maturity date of 9 January 2025 and a nominal interest rate of 5.85% per annum.

Movements in liabilities arising from financing activities

	2025	*2024*
At 1 January	13,144,808	13,833,297
Proceeds from other borrowed funds	65,235,137	98,886,050
Repayment of other borrowed funds	(77,834,041)	(97,828,698)
Foreign exchange differences	(528,846)	(1,689,602)
Change in accrued interest	(17,058)	(56,239)
At 31 December	–	13,144,808

(in thousands of tenge)

19. Share capital and reserves

As at 31 December 2025 and 2024, the registered, issued, and outstanding share capital of the Bank consisted of 14,238 ordinary shares with a nominal value of KZT 627,440 per share.

Holders of ordinary shares are entitled to receive dividends as declared.

No dividends were declared or paid in 2025 and 2024.

The general banking reserve was established by the Bank to cover general banking risks, including potential future losses and other unforeseen risks.

In 2025 and 2024, the Bank did not transfer any funds from retained earnings to the general reserve.

20. Risk management

Introduction

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

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

Risk Management Structure

The Bank's risk management policy and methods aim to identify, analyse and manage the risks it faces, to set appropriate risk limits and controls, and to continuously monitor risk levers and adherence to limits. These policies and procedures are regularly reviewed to reflect changes in market conditions, proposed banking products and services, and emerging best practices.

Board of Directors

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

Management Board

The Management Board is responsible for monitoring and implementation of risk mitigation measures and ensuring that the Bank operates within the established risk parameters. The Chief Risk Management Officer and the Risk Management Department are responsible for the overall risk management and compliance functions, ensuring the implementation of common principles and methods for identifying, measuring, managing and reporting both financial and non-financial risks.

Internal audit

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

Risk Management

Credit, market, and liquidity risks both at the portfolio level and transactional levels .are managed and controlled by the Strategic Planning and Risk Management Committee, Credit Committee and Asset and Liability Management Committee.

Both external and internal risk factors are identified and managed within the organization. Special attention is given to identifying the full range of risk factors and determining the adequacy of current risk mitigation procedures. In addition to standard credit and market risk analysis, the Risk Management Department monitors financial and non-financial risks using risk management tools outlined in the Bank's internal regulations (methodologies).

(in thousands of tenge)

20. Risk management (continued)

Introduction (continued)

Risk measurement and reporting systems

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

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

Information compiled from all the businesses is examined and processed in order to analyse, control and identify early risks. This information is presented and explained to the Management Board, the Risk Committee, and the head of each business division. The report includes aggregate credit exposure, credit metric forecasts, hold limit exceptions, VaR, liquidity ratios and risk profile changes. On a monthly basis detailed reporting of industry, customer and geographic risks takes place. Senior management assesses the appropriateness of the allowance for expected credit losses on a quarterly basis. 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. For all levels throughout the Bank, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

Excessive risk concentrations

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographical location. In order to avoid excessive concentrations of risks, the Bank's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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 has policies and procedures in place to manage credit exposures through approved policies and procedures that include requirements for setting and observing credit risk concentration limits, as well as through the establishment of a Credit Committee responsible for active credit risk monitoring. The credit policy is reviewed and approved by the Board of Directors.

The credit policy defines:

- Procedure for review and approval of loan applications;
- Methodology for assessment of borrower's creditworthiness;
- Methodology for collateral valuation;
- Credit documentation requirements.

Procedures for ongoing monitoring of loans and other credit exposures

Loan credit applications are reviewed by the Corporate Finance and Specialised Finance and Investment Banking Department (the "front office"), which is responsible for the loan portfolios. Conclusions of the managers of the front office are based on a structured analysis focusing on the customer's business and financial performance. The loan credit applications then undergo a legal examination and an examination on the economic security, carried out by the Security Service, the Legal Department and the Compliance Control Department and Financial Monitoring Department. The Risk Management Department and Credit Review and Approval Department prepare independent risk-conclusion and verifies that credit policy requirements and risk appetite are met. The Credit Committee reviews the loan credit application on the basis of submissions by the above-stated departments and services of the Bank.

(in thousands of tenge)

20. Risk management (continued)

Credit risk (continued)

Procedures for ongoing monitoring of loans and other credit exposures (continued)

The Bank continuously monitors the performance of individual credit exposures and regularly reassesses the credit worthiness of its customers. The review is based on the customer's most recent financial statements and other information submitted by the borrower, or otherwise obtained by the Bank.

Apart from individual customer analysis, the credit portfolio is assessed by the Risk Management Department with regard to credit concentration and market risks.

The maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets in the statement of financial position and unrecognized contractual commitment amounts. The impact of possible netting of assets and liabilities to reduce potential credit exposure is not significant.

Impairment assessment

The Bank calculates ECL based on several probability-weighted scenarios with due account for the expected cash discounted using the effective interest rate. The main elements of calculating the ECL are as follows:

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

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

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Based on the above process, the Bank groups its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

Stage 1:	When loans are first recognised, the Bank recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2:	When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3:	Loans considered credit-impaired. The Bank records an allowance for the LTECL.
POCI:	Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest revenue is subsequently recognised based on a credit-adjusted effective interest rate. 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)

20. Risk management (continued)

Credit risk (continued)

Impairment assessment (continued)

Definition of default and recovery

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

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 carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Such events include:

- Deterioration in the borrower's financial condition;
- Write-off of part or all of the borrower's debt due to a significant increase in credit risk since the loan was granted;
- Sale of loan at a significant discount (a significant discount is considered to be 30% or more of the principal amount);
- Loan restructure;
- Filing of a claim for declaring the borrower bankrupt in accordance with the legislation of the Republic of Kazakhstan;
- The borrower’s application to the court to declare for recognition as a bankrupt in accordance with the legislation of the Republic of Kazakhstan;
- There is more than 90 (ninety) days overdue on any borrower's loan with the Bank or other banks.

In assessing whether a borrower is in default, the Bank considers indicators that are (but not limited to):

- Qualitative – e.g. breaches of covenants;
- Quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- Based on data developed internally or obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Forward-looking information

The Bank incorporates forward-looking information both in the assessment of whether there has been a significant increase in credit risk since the initial recognition of a financial instrument and in the measurement of expected credit losses (ECL), using a coefficient calculated based on factors derived from publicly available sources, such as the National Bank of the Republic of Kazakhstan and the Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan. The Bank performs an annual review of the macroeconomic factors and forward-looking information used in the calculation of ECL for loans to customers.

Loss given default

Due to lack of own supportable information about the foreclosure of collateral for at least two years period, the Bank applies liquidity ratios set by the NBRK for calculation of a recovery rate (1-LGD) to the value of collateral, for calculation of expected credit losses.

Credit risk grades

The Bank allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

(in thousands of tenge)

20. Risk management (continued)

Credit risk (continued)

Impairment assessment (continued)

Credit risk grades (continued)

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower/counteragent. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

The monitoring typically involves use of the following data.

- Information obtained during periodic review of borrowers' files – e.g. audited financial statements, management accounts, budgets and projections. Examples of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes;
- Payment records – this includes overdue status as well as a range of variables about payment ratios;
- Data from credit rating agencies, press articles, changes in external credit ratings;
- Requests for and granting of forbearance;
- Quoted bond and credit default swap (CDS) prices for the issuer where available;
- Existing and forecast changes in business, financial and economic conditions;
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.

Significant increase in credit risk

When assessing whether there has been a significant increase in credit risk on a financial instrument since its initial recognition, the Bank considers reasonable and verifiable information that is relevant and available without undue cost or effort. The assessment includes both quantitative and qualitative information, as well as analysis based on the Bank's historical experience, expert judgment of credit quality, and forecast information.

The objective of the assessment is to determine whether there has been a significant increase in credit risk for a position exposed to credit risk by comparing:

- The probability of default over the remaining life as of the reporting date; and
- The probability of default over the remaining life calculated at the initial recognition of the position exposed to credit risk (adjusted, if appropriate, for changes in expectations regarding early repayment).

At each reporting date, the Bank assesses whether there has been a significant increase in credit risk on a financial asset since its initial recognition.

An increase in credit risk may be considered significant if it is indicated by qualitative factors related to the Bank's credit risk management process, the impact of which may not be fully and promptly captured through quantitative analysis. This applies to credit risk-exposed positions that meet certain elevated risk criteria, such as being placed on a watch list. The assessment of these qualitative factors is based on professional judgment and takes into account relevant historical experience.

As a backstop, the Bank considers, amongst other, that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

(in thousands of tenge)

20. Risk management (continued)

Credit risk (continued)

Impairment assessment (continued)

Significant increase in credit risk (continued)

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency of forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist.

In these cases the Bank determines a probation period (12-month period) during which the financial asset is required to demonstrated good behavior to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognizing lifetime ECL are no longer met includes history of up-to-date payment performance against the modified contractual terms.

Measurement of expected credit losses

For portfolios in respect of which the Bank has limited historical data, external benchmark information is used to supplement the internally available data.

Examples of portfolios for which comparable external data served as the basis for expected credit loss assessment are provided below:

	Credit exposure as at 31 December 2025	*Credit exposure as at 31 December 2024*	*PD*	*LGD*
Cash and cash equivalents	305,419,547	240,760,957		Moody's recovery studies/ From 0% to 100% depending on the type of collateral in accordance with NBRK requirements; 0% - if the counterparty is the Government of the Republic of Kazakhstan, the NBRK or national managing holding companies, and balances of these counterparties are denominated in KZT.
Amounts due from banks and other financial institutions	13,057,931	3,889,947		
Loans to customers	154,972,168	33,716,354		
Investment securities measured at amortised cost	141,336,431	78,708,571	Historical dataset of financial indicators of second-tier banks of the Republic of Kazakhstan	
Other financial assets	87,220	17,003		

(in thousands of tenge)

20. Risk management (continued)

Credit risk (continued)

Impairment assessment (continued)

Geographical concentration

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

As at 31 December 2025	*Kazakhstan*	*China*	*OECD*	*Others*	*Total*
Assets					
Cash and cash equivalents	179,836,776	118,332,553	664,137	6,586,081	305,419,547
Amounts due from banks and other financial institutions	13,057,931	–	–	–	13,057,931
Loans to customers	154,972,168	–	–	–	154,972,168
Investment securities measured at amortised cost	141,336,431	–	–	–	141,336,431
Other financial assets	87,220	–	–	–	87,220
	489,290,526	118,332,553	664,137	6,586,081	614,873,297
Liabilities					
Amounts due to banks and other financial institutions	157,568,901	484,882	–	11,343,467	169,397,250
Amounts due to customers	305,790,954	11,103,881	7	13,858,643	330,753,485
Lease liabilities	590,511	–	–	–	590,511
Other financial liabilities	77,996	52,294	96,126	–	226,416
	464,028,362	11,641,057	96,133	25,202,110	500,967,662
Net position	25,262,164	106,691,496	568,004	(18,616,029)	113,905,635

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

As at 31 December 2024	*Kazakhstan*	*China*	*OECD*	*Others*	*Total*
Assets					
Cash and cash equivalents	172,774,434	63,537,718	1,239,578	3,209,227	240,760,957
Amounts due from banks and other financial institutions	3,889,947	–	–	–	3,889,947
Loans to customers	33,716,354	–	–	–	33,716,354
Investment securities measured at amortised cost	70,801,701	7,906,870	–	–	78,708,571
Other financial assets	17,003	–	–	–	17,003
	281,199,439	71,444,588	1,239,578	3,209,227	357,092,832
Liabilities					
Amounts due to banks and other financial institutions	62,863,476	762,567	–	3,796,207	67,422,250
Amounts due to customers	171,044,279	13,147,418	7	6,201,238	190,392,942
Other borrowed funds	–	13,144,808	–	–	13,144,808
Lease liabilities	743,521	–	–	–	743,521
Other financial liabilities	71,539	50,266	–	–	121,805
	234,722,815	27,105,059	7	9,997,445	271,825,326
Net position	46,476,624	44,339,529	1,239,571	(6,788,218)	85,267,506

(in thousands of tenge)

20. Risk management (continued)

Market risk

Market risk is the risk of changes in the fair value or future cash flows of a financial instrument due to changes in market prices. Market risk consists of currency risk, interest rate risk, and other price risks. The Bank is exposed to market risk due to its open market positions in interest rate, currency, debt, and equity financial instruments, which are subject to general and specific market fluctuations and changes in market price volatility.

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

Overall authority for market risk is vested in the Board of Directors, Strategic Planning and Risk Management Committee, Management Board and Risk Management and Asset and Liability Management Committee (the "ALCO").

The Bank manages its market risk by setting open position limits in relation to financial instruments, currency positions and stop-loss limits. These are monitored on a regular basis and reviewed by the ALCO and documented in relevant minutes/decisions.

Interest rate risk

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

Average effective interest rates

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

	2025 Average effective interest rate, %			*2024 Average effective interest rate, %*		
	KZT	*USD*	*Other currencies*	*KZT*	*USD*	*Other currencies*
Interest-bearing assets						
Cash and cash equivalents	18.0	3.7	1.04	15.05	4.5	1.6
Amounts due from banks and other financial institutions	–	3.69	5.7	–	5.85	–
Loans to customers	17.78	–	2.97	16.66	–	2.60
Investment securities measured at amortised cost	7.63	–	2.95	8.94	–	–
Interest-bearing liabilities						
Amounts due to customers	12.44	2.18	–	10.16	2.35	–
Other borrowed funds	–	–	–	–	5.85	–

Interest rate sensitivity analysis

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

	2025	*2024*
Parallel shift of 100 basis points upward	1,034,020	863,673
Parallel shift of 100 basis points downward	(1,034,020)	(863,673)

(in thousands of tenge)

20. Risk management (continued)

Market risk (continued)

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Management Board has set limits on foreign currency positions below the regulatory limits of the NBRK, in accordance with the Bank's own risk appetite in the current environment.

Below is the analysis of financial assets and liabilities by foreign currencies as at 31 December 2025:

	KZT	*USD*	*CNY*	*EUR*	*Other*	*Total*
Assets						
Cash and cash equivalents	78,752,241	150,489,426	73,001,166	3,165,024	11,690	305,419,547
Amounts due from banks and other financial institutions	25,000	10,541,113	2,491,818	–	–	13,057,931
Loans to customers	35,454,194	–	119,517,974	–	–	154,972,168
Investment securities measured at amortised cost	137,764,331	–	3,572,100	–	–	141,336,431
Other financial assets	87,220	–	–	–	–	87,220
Total assets	252,082,986	161,030,539	198,583,058	3,165,024	11,690	614,873,297
Liabilities						
Amounts due to banks and other financial institutions	1,619,392	307,099	167,443,018	21,116	6,625	169,397,250
Amounts due to customers	135,979,097	160,627,812	31,053,810	3,088,901	3,865	330,753,485
Lease liabilities	85,908	504,603	–	–	–	590,511
Other financial liabilities	174,122	–	52,294	–	–	226,416
Total liabilities	137,858,519	161,439,514	198,549,122	3,110,017	10,490	500,967,662
Net position	114,224,467	(408,975)	33,936	55,007	1,200	113,905,635

Below is the analysis of financial assets and liabilities by foreign currencies as at 31 December 2024:

	KZT	*USD*	*CNY*	*EUR*	*Other*	*Total*
Assets						
Cash and cash equivalents	81,339,947	110,258,064	48,849,793	301,670	11,483	240,760,957
Amounts due from banks and other financial institutions	25,000	3,864,947	–	–	–	3,889,947
Loans to customers	19,331,447	–	14,384,907	–	–	33,716,354
Investment securities measured at amortised cost	70,801,701	–	7,906,870	–	–	78,708,571
Other financial assets	17,003	–	–	–	–	17,003
Total assets	171,515,098	114,123,011	71,141,570	301,670	11,483	357,092,832
Liabilities						
Amounts due to banks and other financial institutions	1,777,459	257,811	65,357,957	21,957	7,066	67,422,250
Amounts due to customers	85,903,729	98,467,549	5,745,144	273,006	3,514	190,392,942
Other borrowed funds	–	13,144,808	–	–	–	13,144,808
Lease liabilities	84,292	659,229	–	–	–	743,521
Other financial liabilities	71,539	–	50,266	–	–	121,805
Total liabilities	87,837,019	112,529,397	71,153,367	294,963	10,580	271,825,326
Net position	83,678,079	1,593,614	(11,797)	6,707	903	85,267,506

(in thousands of tenge)

20. Risk management (continued)

Market risk (continued)

Currency risk (continued)

The table below indicates the change in the financial result as a result of possible changes in exchange rates used at the reporting date. This analysis was carried out before deduction of taxes, while all other variables are held constant:

	2025		*2024*	
Currency	*Change in exchange rate in %*	*Effect on profit before tax*	*Change in exchange rate in %*	*Effect on profit before tax*
USD	+16%	(65,436)	+9%	143,425
USD	−7%	28,628	−7%	(111,553)
CNY	+16%	5,430	+9%	(1,062)
CNY	−13%	(4,412)	−13%	1,534
EUR	+22%	12,101	+9%	604
EUR	−4%	(2,200)	−6%	(402)

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or can lead to financial loss. The Bank cannot expect to eliminate all operational risks, but a control framework and monitoring and responding to potential risks could be effective tools 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 probability of financial losses resulting from the Bank's inability to meet its obligations on time without significant losses.

The Bank's liquidity risk management system is a set of components and processes ensuring effective identification of liquidity risk, assessment of liquidity adequacy, regulation, monitoring and control of liquidity risk associated with balance sheet and off-balance sheet assets and liabilities of the Bank, and the impact of external factors on the liquidity of the Bank, including in a state of stress.

The Bank ensures a stable size and reasonable structure of funding sources: maintains the maturity structure of funding sources based on the Bank's liquidity risk profile and changes in the external market, taking into account cost; controls the concentration of funding sources, pays constant attention to the dynamics of the deposits of major depositors (at least 10 depositors) and sources of the Bank, as well as the value of the concentration limit for funding sources, ensures stable liquidity support for growth of Bank assets and the nature of liquidity position.

The Bank has a permanent reserve of unencumbered highly liquid assets that can be used in the shortest possible time without significant losses and discounts under various stress scenarios, including events that entail the loss of access or a decrease in the volume of liquid funds provided by creditors, including secured, as well as placed contributors.

The Bank is aware of the characteristics and diversification of funding sources and periodically reviews the funding strategy in order to immediately respond to changes in the internal and external environment:

- Analyzes the needs and sources of funding under normal and stress scenarios at different time intervals;
- Manages the concentration of types, maturities, counterparties, currencies, instruments and funding markets, and moderately sets concentration limits;
- Manages funding channels, actively maintains relationships with key counterparties, maintains moderate market activity.

In order to minimize negative impacts in the event of a liquidity crisis, the Board of Directors of the Bank approves a financing plan that clearly defines the process for eliminating liquidity shortages in emergency situations.

In accordance with legislation of the Republic of Kazakhstan, depositors can withdraw their term deposits at any time, losing in most of the cases the accrued interest. Accordingly, these deposits, excluding accrued interest, are shown in the table above in the category of “On-demand and less than 1 month”.

For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee can be called.

(in thousands of tenge)

20. Risk management (continued)

Liquidity risk (continued)

The table below shows the contractual expiry by maturity of the Bank's credit related commitments and contingencies. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

	On demand and less than one month	*From 1 to 3 months*	*From 3 to 12 months*	*More than 1 year*	*Total*
2025	8,484,309	–	–	–	8,484,309
2024	–	–	–	–	–

The Bank expects that not all of the credit related commitments will be drawn before expiry of the commitments.

(in thousands of tenge)

20. Risk management (continued)

Liquidity risk (continued)

The tables below present the Bank's financial liabilities as at 31 December, classified by remaining contractual maturities based on undiscounted cash flows:

As at 31 December 2025	*On demand and less than 1 month*	*1 to 3 months*	*3 to 6 months*	*6 to 12 months*	*Over 1 year*	*Total*
Non-derivative financial liabilities						
Amounts due to banks and other financial institutions	169,397,250	–	–	–	–	169,397,250
Amounts due to customers	294,549,076	34,103,955	–	2,625,443	–	331,278,474
Lease liabilities	14,407	28,813	43,220	86,439	598,026	770,905
Other financial liabilities	27,231	6,066	3,848	93,145	96,126	226,416
Total financial liabilities	463,987,964	34,138,834	47,068	2,805,027	694,152	501,673,045

As at 31 December 2024	*On demand and less than 1 month*	*1 to 3 months*	*3 to 6 months*	*6 to 12 months*	*Over 1 year*	*Total*
Non-derivative financial liabilities						
Amounts due to banks and other financial institutions	67,422,250	–	–	–	–	67,422,250
Amounts due to customers	150,089,119	38,036,344	–	2,730,878	–	190,856,341
Other borrowed funds	13,159,733	–	–	–	–	13,159,733
Lease liabilities	14,078	28,155	42,233	84,465	722,616	891,547
Other financial liabilities	85,232	–	2,089	4,178	8,357	99,856
Total financial liabilities	230,770,412	38,064,499	44,322	2,819,521	730,973	272,429,727

Management expects that the timing of cash flows related to certain financial assets and liabilities may differ from contractual terms, either because management is entitled to manage the timing of cash flows, or because past experience indicates that actual cash flows may occur at different times than those contractually agreed.

(in thousands of tenge)

21. Capital adequacy

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

The primary objective of the Bank's capital management is to ensure that the Bank complies with externally imposed capital requirements and that the Bank maintains strong credit rating and healthy capital ratios in order to support its business and maximise shareholder's value.

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

The equity is the sum of Tier 1 and Tier 2 capitals.

Various further limits and qualifying criteria are applied to the above elements of the capital base.

In accordance with the current requirements established by the NBRK, banks must maintain the following ratios:

- A ratio of basic capital to the sum of credit risk-weighted assets, contingent liabilities and market risk-weighted assets and contingent claims and liabilities and quantified operational risk (k1);
- A ratio of Tier 1 capital to the sum of credit risk-weighted assets, contingent liabilities and market risk-weighted assets and contingent claims and liabilities and quantified operational risk (k1-2);
- A ratio of equity to the sum of credit risk-weighted assets, contingent liabilities and market risk-weighted assets and contingent claims and liabilities and quantified operational risk (k2).

As at 31 December 2025 and 31 December 2024, the minimum level of ratios as applicable to the Bank are as follows:

	31 December 2025	*31 December 2024*
K1	8.0%	8.0%
K1-2	9.0%	9.0%
K2	10.5%	10.5%

As at 31 December 2025 and 2024, the Bank's capital adequacy ratio, computed in accordance with the NBRK requirements, comprised:

	31 December 2025	*31 December 2024*
Tier 1 capital	115,201,364	86,610,205
Tier 2 capital	–	–
Total capital	115,201,364	86,610,205
Risk-weighted assets and contingent liabilities, including market, operational and potential risks	187,912,461	46,404,027
Capital adequacy ratio (k1-1)	61.3%	186.6%
Capital adequacy ratio (k1-2)	61.3%	186.6%
Capital adequacy ratio (k2)	61.3%	186.6%

22. Commitments and contingencies

Political and economic environment

Kazakhstan continues to undergo economic reforms and the development of a legal, tax, and administrative infrastructure that is aligned with a market economy. The stability of the Kazakh economy will largely depend on the progress of these reforms and the effectiveness of the measures implemented by the Government in the areas of economic, fiscal, and monetary policy.

In 2025, the Kazakh economy continued to be adversely affected by the volatility of global crude oil prices and the depreciation of tenge against US dollar. Interest rates for funding in tenge remain high. These factors have resulted in limited access to capital, a high cost of capital, and increased uncertainty regarding future economic growth, which may adversely impact the Bank's financial condition, operational results, and economic outlook. The Bank's management believes that it is taking appropriate measures to maintain the Bank's economic stability under the current circumstances.

(in thousands of tenge)

22. Commitments and contingencies (continued)

Litigation

In the ordinary course of business, the Bank is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints, will not have a material adverse effect on the financial conditions of the results of future operations of the Bank. As at 31 December 2025 and 2024, Management is unaware of any significant actual, pending or threatened claims against the Bank.

Taxation

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

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

Credit-related commitments

The Bank provides financial guarantees and letters of credit to secure obligations of customers to third parties. These agreements have fixed limits and generally extend for a period of up to five years.

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

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

The total outstanding contractual amount of loan commitments and guarantees does not necessarily represent future funding requirements, as such commitments may expire or be cancelled without being drawn down by the borrower. Loan commitment agreements provide the Bank with the right to unilaterally withdraw from the agreement in the event of the occurrence of any conditions adverse to the Bank, including changes in the refinancing rate, inflation rates, exchange rates, and other relevant conditions.

	31 December 2025	*31 December 2024*
Contractual amount		
Undrawn loan commitments	8,484,309	–
Guarantees	6,000	15,000
Provisions for ECL for credit related commitments	–	–
Deposits held as security against letters of credit *(Note 17)*	6,000	15,000

As at 31 December 2025 and 2024, all credit-related commitments in the form of issued guarantees were allocated to Stage 1 of the credit risk levels.

23. 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.

(in thousands of tenge)

23. Related party transactions (continued)

Related parties may enter into transactions which unrelated parties might not. Transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties. The sole shareholder of the Bank is Industrial and Commercial Bank of China. The ultimate controlling owner is the government of the People's Republic of China.

Transactions with members of the Board of Directors and Management Board

The total amount of compensation to the members of the Board of Directors and Management Board, included in the personnel expenses, for the years ended 31 December 2025 and 2024, is presented as follows:

	2025	*2024*
Short-term employee benefits	129,544	109,575
	129,544	109,575

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

	31 December 2025	*31 December 2024*
Statement of financial position		
Current accounts and customer deposits	68,693	64,920

(in thousands of tenge)

23. Related party transactions (continued)

Transactions with other related parties

As at 31 December 2025, the balances of accounts and average interest rates, as well as the corresponding amounts of profit or loss on transactions with other related parties for the year ended 31 December 2025, were as follows:

	Parent Bank		*Entities under common control*		*Government entities*		*Government related entities**		
	Amount	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Total*
Statement of financial position									
Assets									
Cash and cash equivalents									
- in USD	44,815,573	4.06	4,052,958	4.30	–	–	15,875,006	4.27	64,743,537
- in CNY	3,632,507	0.35	47,661,559	0.89	–	–	21,706,113	1.35	73,000,179
- in other currency	3,046,060	1.94	130,530	1.75	–	–	–	–	3,176,590
Loans to customers									
- in KZT	–	–	–	–	–	–	3,824,724	20.50	3,824,724
- in CNY	–	–	–	–	–	–	10,167,649	2.60	10,167,649
Other assets									
- in KZT	–	–	–	–	–	–	2,698	–	2,698
Liabilities									
Amounts due to banks and other financial institutions									
- in KZT	342,992	–	–	–	–	–	197,393	–	540,385
- in USD	–	–	–	–	–	–	14,635	–	14,635
- in CNY	–	–	–	–	–	–	2,834,160	–	2,834,160
Amounts due to customers									
- in KZT	–	–	–	–	74,375	–	81,308,328	5.13	81,382,703
- in USD	–	–	–	–	459,697	–	117,148,712	0.26	117,608,409
- in CNY	–	–	–	–	–	–	6,445,531	–	6,445,531
- in other currencies	–	–	–	–	–	–	484,767	–	484,767
Other liabilities									
- in KZT	–	–	–	–	–	–	13,254	–	13,254
- in USD	–	–	–	–	–	–	6,017	–	6,017
- in CNY	46,277	–	–	–	–	–	–	–	46,277

* *Government related entities are entities that are controlled, jointly controlled, or significantly influenced by the government of the People's Republic of China.*

(in thousands of tenge)

23. Related party transactions (continued)

Transactions with other related parties (continued)

The outstanding balances and the related average interest rates as at 31 December 2024 are as follows:

	Parent Bank		*Entities under common control*		*Government entities*		*Government related entities**		
	Amount	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Amount*	*Average interest rate, %*	*Total*
Statement of financial position									
Assets									
Cash and cash equivalents									
- in USD	14,713,597	4.74	3,155,084	4.80	–	–	–	–	17,868,681
- in CNY	1,823,040	0.35	47,025,447	0.90	–	–	–	–	48,848,487
- in other currencies	26,190	3.73	286,847	1.97	–	–	–	–	313,037
Loans to customers									
-in KZT	–	–	–	–	–	–	4,102,003	17.75	4,102,003
- in CNY	–	–	–	–	–	–	14,384,907	2.60	14,384,907
Investment securities measured at amortised cost	–	–	–	–	7,906,870	–	–	–	7,906,870
Other assets									
-in KZT	–	–	–	–	–	–	1,079	–	1,079
- in CNY	–	–	–	–	64,746	–	–	–	64,746
Liabilities									
Amounts due to banks and other financial institutions									
-in KZT	258,748	–	–	–	–	–	558,083	–	816,831
- in USD	–	–	–	–	–	–	15,202	–	15,202
- in CNY	–	–	–	–	–	–	496,772	–	496,772
Amounts due to customers									
-in KZT	–	–	–	–	445,890	–	49,849,583	0.04	50,295,473
- in USD	–	–	–	–	390,090	–	57,619,234	0.01	58,009,324
- in CNY	–	–	–	–	–	–	3,479,467	–	3,479,467
- in other currencies	–	–	–	–		–	256,065	–	256,065
Other borrowed funds									
- in USD	13,144,808	5.85	–	–	–	–	–	–	13,144,808
Other liabilities									
-in KZT	5,778	–	–	–	–	–	27,099	–	32,877
- in CNY	50,266	–	–	–	–	–	–	–	50,266

* *Government related entities are entities that are controlled, jointly controlled, or significantly influenced by the government of the People's Republic of China.*

(in thousands of tenge)

23. Related party transactions (continued)

Transactions with other related parties (continued)

The profit or loss amounts of transactions for the year ended 31 December with other related parties are as follows:

	2025				*2024*			
	Parent Bank	*Entities under common control*	*Government entities*	*Government related entities*	*Parent Bank*	*Entities under common control*	*Government entities*	*Government related entities*
Statement of profit or loss and other comprehensive income								
Interest income	2,068,979	753,090	41,089	1,683,387	1,088,033	495,619	16,747	1,157,816
Interest expense	(18,355)	(7,806)	–	(3,419,533)	(16,906)	(30,620)	–	(2,797,789)
Fee and commission income	36	24,058	3,740	222,852	–	20,274	4,109	207,655
Fee and commission expense	(3,893)	(1,590)	(85,340)	(5,041)	(3,907)	(969)	(18,890)	–
Net gains/(losses) from foreign currencies	–	609,625	2,264	336,328	(10)	321,755	1,537	458,208
Other operating expenses	(40,833)	–	–	(52,294)	(5,464)	–	–	(1,691)
Other income	–	–	–	315	–	–	–	251

(in thousands of tenge)

24. Maturity analysis of assets and liabilities

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

	31 December 2025			*31 December 2024*		
	Within one year	*More than one year*	*Total*	*Within one year*	*More than one year*	*Total*
Assets						
Cash and cash equivalents	305,419,547	–	305,419,547	240,760,957	–	240,760,957
Amounts due from banks and other financial institutions	6,801,418	6,256,513	13,057,931	25,000	3,864,947	3,889,947
Loans to customers	834,144	154,138,024	154,972,168	–	33,716,354	33,716,354
Investment securities measured at amortised cost	61,212,746	80,123,685	141,336,431	7,906,870	70,801,701	78,708,571
Property and equipment and intangible assets	–	932,229	932,229	–	613,083	613,083
Right-of-use assets	–	571,931	571,931	–	692,573	692,573
Deferred tax assets	–	394,420	394,420	–	159,063	159,063
Other assets	100,285	–	100,285	261,675	–	261,675
Total assets	374,368,140	242,416,802	616,784,942	248,954,502	109,847,721	358,802,223
Liabilities						
Amounts due to banks and other financial institutions	169,397,250	–	169,397,250	67,422,250	–	67,422,250
Current accounts and deposits of corporate customers	319,649,333	–	319,649,333	177,201,995	–	177,201,995
Current accounts and deposits of government entities	534,072	–	534,072	835,981	–	835,981
Current accounts and deposits of retail customers	10,570,080	–	10,570,080	12,354,966	–	12,354,966
Other borrowed funds	–	–	–	13,144,808	–	13,144,808
Lease liabilities	172,879	417,632	590,511	168,931	574,590	743,521
Current corporate income tax liabilities	141,428	–	141,428	227,343	–	227,343
Other liabilities	636,814	–	636,814	502,143	–	502,143
Total liabilities	501,101,856	417,632	501,519,488	271,858,417	574,590	272,433,007
Net position	(126,733,716)	241,999,170	115,265,454	(22,903,915)	109,273,131	86,369,216

The negative liquidity gap is mainly attributable to current accounts and customer deposits. Despite the possibility of early withdrawal of funds and the fact that a significant portion of customer funds is placed on demand, the Bank's management believes that customer funds represent a long-term and stable source of funding.

The Bank's management expects that cash flow movements related to certain financial assets and liabilities may differ from their contractual maturities. The Bank performs liquidity stress testing on a regular basis, taking into account a variety of possible market scenarios both under normal and adverse conditions. Based on the results of these stress tests, management assesses that the Bank has sufficient liquidity to cover the negative current liquidity gap without incurring unacceptable losses or risking damage to the Bank's reputation.

25. Fair value measurements

Fair value measurement procedures

The Bank's management determines the policies and procedures for periodic fair value assessment.

Fair value measurement aims to determine the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

However, considering the uncertainty factor and the subjectivity of the judgments used, fair value should not be considered as the price at which assets could be immediately realized or liabilities settled.

(in thousands of tenge)

25. Fair value measurements (continued)

Fair value measurement procedures (continued)

The fair value of financial assets and financial liabilities traded in an active market is based on market quotations or dealer prices. The Bank determines the fair value of all other financial instruments using other valuation methods.

The Bank uses widely recognized valuation models to determine the fair value of financial instruments. Valuation methods include models that assess the net present value and discount cash flow models, comparisons with similar instruments for which market quotations are known, and other valuation models. These methods aim to determine the fair value reflecting the value of the financial instrument as of the reporting date, which would be determined by independent market participants.

Management believes that the fair value of financial assets and liabilities approximately corresponds to their carrying value due to the short-term nature of these assets and liabilities, except for loans issued to clients and investments measured at amortized cost.

Fair value hierarchy

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

The table below analyses assets measured at fair value as at 31 December 2025, by levels in the fair value hierarchy:

		Fair value measurement using					
As at 31 December 2025	*Date of valuation*	*Level 1*	*Level 2*	*Level 3*	*Carrying amount*	*Fair value*	*Unrecog-nised gain/(loss)*
Assets							
Cash and cash equivalents	31 December 2025	–	305,419,547	–	305,419,547	305,419,547	–
Amounts due from banks and other financial institutions	31 December 2025	–	13,057,931	–	13,057,931	13,141,657	83,726
Loans to customers	31 December 2025	–	154,972,168	–	154,972,168	155,578,223	606,055
Investment securities measured at amortised cost	31 December 2025	–	141,336,431	–	141,336,431	138,001,482	(3,334,949)
Other financial assets	31 December 2025	–	–	87,220	87,220	87,220	–
Liabilities							
Amounts due to banks and other financial institutions	31 December 2025	–	169,397,250	–	169,397,250	169,397,250	–
Amounts due to customers	31 December 2025	–	330,753,485	–	330,753,485	330,753,485	–
Lease liabilities	31 December 2025	–	590,511	–	590,511	590,511	–
Other financial liabilities	31 December 2025	–	226,416	–	226,416	226,416	–

(in thousands of tenge)

25. Fair value measurements (continued)

Fair value hierarchy (continued)

The table below analyses assets measured at fair value as at 31 December 2024, by levels in the fair value hierarchy:

As at 31 December 2024	*Date of valuation*	*Fair value measurement using* Level 1	Level 2	Level 3	*Carrying amount*	*Fair value*	*Unrecog-nised gain/(loss)*
Assets							
Cash and cash equivalents	31 December 2024	–	240,760,957	–	240,760,957	240,760,957	–
Amounts due to banks and other financial institutions	31 December 2024	–	3,889,947	–	3,889,947	4,168,328	278,381
Loans to customers	31 December 2024	–	33,716,354	–	33,716,354	33,642,773	(73,581)
Investment securities measured at amortised cost	31 December 2024	–	78,708,571	–	78,708,571	77,669,114	(1,039,457)
Other financial assets	31 December 2024	–	–	17,003	17,003	17,003	–
Liabilities							
Amounts due to banks and other financial institutions	31 December 2024	–	67,422,250	–	67,422,250	67,422,250	–
Amounts due to customers	31 December 2024	–	190,392,942	–	190,392,942	190,392,942	–
Other borrowed funds	31 December 2024	–	13,144,808	–	13,144,808	13,144,808	–
Lease liabilities	31 December 2024	–	743,521	–	743,521	743,521	–
Other financial liabilities	31 December 2024	–	38,662	83,143	121,805	121,805	–