



PRESS RELEASE

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KASE holds annual general meeting of KASE shareholders

On May 30, 2022 Kazakhstan Stock Exchange JSC (KASE, the Exchange) held its Annual General Meeting of Shareholders (AGM).

A number of decisions were made by Exchange shareholders during the meeting, including:

- to take note of the information on the Exchange's activities for 2021 set out in the KASE Annual Report 2021;
- approve the separate and consolidated annual financial statements of the Exchange for 2021;
- not to distribute the net income, allocating it to the development of the Exchange;
- to designate BDO Qazaqstan LLP as the Exchange's audit organisation for the purposes of auditing the consolidated and separate financial statements of the Exchange for 2022;
- to take note of the information on the absence of shareholder appeals in 2021 on actions of the Exchange and its officials on issues related to its activities;
- take note of the information on the amount and composition of remuneration of the members of the Exchange's Board of Directors and Management Board for 2021;
- pay an annual bonus remuneration to the members of the Exchange's Board of Directors based on the results of 2021 (including individual income tax and mandatory pension contributions);
- determine from July 1, 2022 the amount of monthly remuneration of the members of the Exchange's Board of Directors for the performance of their duties, including amounts of individual income tax, pension and other mandatory deductions.

According to the audited consolidated financial statements for 2021, the financial and economic activities of KASE Group in 2021 are characterised by the following indicators:

- income amounted to KZT 7.2 billion, an increase of KZT 1.6 billion, or 28.6%, year-on-year. Fee and commission income amounted to KZT 4.2 billion, up KZT 1 billion, or Interest income was KZT 3 billion, up KZT 594 million or 24%.
- expenditures amounted to KZT 2.9 billion, an increase of KZT 425 million, or 18%, over the previous year;
- net profit of KZT 3.9 billion, an increase of KZT 1.0 billion, or 35%, year-on-year;
- assets increased 2.89 times compared to 2020 and amounted to more than 4.3 trillion tenge. Of these, the central counterparty's financial assets and financial liabilities totalled KZT 4.2 trillion. The significant growth in assets and liabilities is due to the fact that the Exchange acts as a central counterparty (CCP) on all markets, being a party to all trades concluded on the exchange and guaranteeing their execution on a net basis
- liabilities of the Exchange for the clearing participants amounted to 86,830 million tenge and are represented by the guarantee fees and collaterals of the clearing participants

According to the results of KASE activities in 2021, the total volume of trades amounted to KZT 174.4 trln and increased relative to 2020 by 47.8 % or 56.5 trillion tenge. KASE Index increased by 37.4 % to 3,675.28 points.

The equity market capitalisation rose by 51% over the year to KZT28.8 trln. Volume of corporate debt traded on KASE increased by 4.8% to KZT15.4 trln.

In 2021, securities of 55 new issuers were listed: 3 in the equities sector, 33 in the KASE Global sector, 17 in the corporate bonds sector and 2 ETFs. As of January 1, 2022 corporate securities in the trade lists of KASE were 558 names of 228 issuers, and the Central Securities Depository had 218,336 personal accounts opened for 199,306 individuals.

2021 was the year when the Exchange's three-year development strategy was completed and the year of setting new goals and objectives for the next three years.

KASE, in the face of global challenges and based on its own experience, has purposefully successfully implemented strategic tasks and ensured quality and uninterrupted provision of its services, thanks to which it not only maintained high stability as a financial institution of the country, but also reached a new technological stage of development.

In 2021, the Exchange implemented a number of significant projects, including:

- transfer of the derivatives market to the new SPECTRA trading and clearing system;
- enabling Exchange members to trade using omnibus accounts;
- creation of ESG infrastructure on KASE, including the establishment of minimum listing fees, conclusion of agreements with a number of companies on verification of bonds for compliance with ESG criteria. As of January 1, 2022, there were already six sustainability bond issues on KASE's official list: three green bond issues worth KZT34bn and three social bond issues worth over KZT29bn;
- the launch of a new sector, KASE Global, which allows the most liquid foreign shares traded on foreign exchanges to be traded;
- introduction of market maker programmes: KASE Privilege Market Maker for shares of domestic blue chips, KASE Global for foreign shares, as well as programmes on the government securities market of Kazakhstan and derivatives market;
- introduction of derivative indicators based on TONIA's main money market indicator, the TONIA Compounded Index (TCI) and the TONIA Compounded Rate (TCR). The new TCI and TCR serve as benchmarks for pricing financial products and enable financial market participants to diversify product lines;
- the launch of the mobile application "KASE Mobile", which is aimed at simplifying access to exchange information for retail and professional investors. In addition, the application provides an opportunity to participate in "Exchange Simulator" training trades through it;
- introduction of an upgraded is2in system which allows internal procedures such as listing, admission to KASE membership or inclusion of audit organisations in the list of KASE-recognised audit organisations in an electronic format;
- improving the customer service of the Exchange, including:
 - the ability to withdraw funds from the Central Counterparty to multiple brokerage accounts at a second-tier bank of the broker's choice;
 - the possibility of specialised trading (gross settlement), which can be settled in foreign currencies EUR, RUB, CHF, GBP;
 - possibility of initial placement of MEKAM with a T+2 settlement date;
- Creation of a separate "Private Placement" platform within the Exchange's official listings to enable non-public placement of non-public bonds among a limited number of qualified investors.

For reference

Kazakhstan Stock Exchange (KASE) is the leading stock exchange in the Central Asian region. KASE ranks second among CIS exchanges in terms of volume of securities trades, and sixth in terms of capitalisation of the FEAS share market.

It is a universal trading platform for corporate and government securities, bonds of international financial institutions, foreign currencies and money market operations – repo and swap, as well as derivative instruments. KASE is a member of the International Federation of Exchanges (WFE), Federation of Euro-Asian Stock Exchanges (FEAS) and other international and domestic professional associations, as well as a member of the UN initiative "Stock Exchanges for Sustainable Development".

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